

UC Berkeley

UC Berkeley Electronic Theses and Dissertations

Title

Reorganizing the Activist State: Conservatives, Commissions, and the Politics of Federalism, 1947-1996

Permalink

<https://escholarship.org/uc/item/8v67q283>

Author

Rocco, Philip Bartholomew

Publication Date

2015

Peer reviewed|Thesis/dissertation

Reorganizing the Activist State:
Conservatives, Commissions, and the Politics of Federalism, 1947–1996

By

Philip Bartholomew Rocco

A dissertation submitted in partial satisfaction of the

requirements for the degree of

Doctor of Philosophy

in

Political Science

in the

Graduate Division

of the

University of California, Berkeley

Committee in charge:

Professor Christopher K. Ansell, Chair

Professor Sean Farhang

Professor Eric Schickler

Professor Ann C. Keller

Spring 2015

Reorganizing the Activist State:
Conservatives, Commissions, and the Politics of Federalism, 1947–1996

Copyright 2015

by

Philip Bartholomew Rocco

Abstract

Reorganizing the Activist State:
Conservatives, Commissions, and the Politics of Federalism, 1947–1996

by

Philip Bartholomew Rocco

Doctor of Philosophy in Political Science

University of California, Berkeley

Professor Christopher K. Ansell, Chair

This study examines the origins of conservative efforts to reform the “activist American state” in the postwar period by reorganizing fiscal and administrative relationships between federal, state, and local governments. Existing scholarship suggests that conservatives’ efforts to grant sub-national governments greater decision-making authority over national policies were either an obvious extension of challenges to the New Deal or a reaction to liberal policies in the 1960s. Drawing on a combination of archival sources, secondary literature, and quantitative data, this study shows, in contrast, that conservative challenges to the activist state in the 1970s, 1980s, and 1990s were shaped by institutional investments made in the early 1950s. Indeed, long before the Great Society, conservative policy entrepreneurs constructed what I call *generative institutions* that gradually reconfigured the political context in which debates over federalism occurred. These institutions reframed the critique of centralized government as a dilemma of proper administration and management, built broader political coalitions with state and local officials, and experimented with new policy alternatives that would become the basis of later reforms.

The institutions conservatives built were commissions for studying and deliberating about problems of “intergovernmental relations.” Intergovernmental commissions helped conservatives to recalibrate their engagement with a growing federal government in three ways. First, in the absence of wider support for reform, these commissions refocused conservatives’ arguments from ideological or constitutional claims into administrative ones by marshaling the power of existing executive-branch institutions to produce and publicize novel *information* about that branch’s own problems, helping to investigate and publicize concrete policy failures and tensions that agencies did not wish to expose. Second, the commissions’ bipartisan, intergovernmental composition provided conservatives in government with a single forum for *organizational brokerage*—the ability to build policy consensus with a diverse range of stakeholders, namely, state and local elected officials. As a result, the commissions’ research products came to be valued by a broader audience than conservative reformers

alone. Third, over time, commissions accumulated *strategic knowledge* about intergovernmental relations, which allowed conservative policy entrepreneurs to criticize major categorical grant programs and recombine older policy proposals into viable new reforms. The result was not the retrenchment of the activist state, as some conservative policy entrepreneurs hoped, but a set of reforms that empowered state governments to play a more important role in shaping the outcome of federal policies.

In showing how intergovernmental commissions gave conservatives the capacity to reorganize authority within the activist state, this study also makes a larger claim about patterns of institutional change within studies of American Political Development (APD). While APD is concerned with explaining “durable shifts in governing authority,” recent historical-institutional scholarship suggests that major shifts may emerge not from systemic shocks but from gradual processes of drift, conversion, and layering; the recombination of ideas and interests by skilled entrepreneurs; or the formation of policy networks. These studies examine how entrepreneurial actors pursue direct policy changes, yet they fail to take into account how new institutions can help to subsidize the costs of entrepreneurship. Similarly, while scholarship on policy agendas focuses on the importance of venue shifting, it says little about what distinguishes venues that catalyze change from those that do not. Generative institutions, I argue, can pave the way for major reforms by routinizing the production of policy information, building consensus, and developing policy expertise.

*For my parents,
Bart and Valerie Rocco*

Acknowledgements

Writing this dissertation has allowed me to experience, among other emotions, profound gratitude. I am especially grateful to the members of my dissertation committee. My dissertation chair, Chris Ansell, has been a source of inspiration and a generous teacher. Above all, conversations with Chris yielded tractable strategies for studying unwieldy organizational environments. Chris also helped me to manage the tension between creativity and constraint that defines both the action in my narrative and my own intellectual life. From the moment I arrived at Berkeley, Eric Schickler was a thoughtful mentor, commenting on everything I sent and encouraging me to think deeply, read beyond my comfort zone, and write with precision. Eric also fostered intellectual camaraderie through regular meetings of the APD Working Group, whose members discussed the papers and chapters out of which the dissertation grew. Throughout the writing process, committee members Sean Farhang and Ann Keller have helped me to improve this project immeasurably, by offering thorough comments and sharing their insights on the politics of institutional change.

Several individuals and institutions at Berkeley deserve recognition for contributing time, resources, and enthusiasm to my work. The Institute of Governmental Studies (IGS), the Travers Department of Political Science, the Mike Synar Fellowship Program, and the Center for Right-Wing Studies provided me the necessary resources to undertake the archival work that is the backbone of this project. Throughout my time at IGS, Terri Bimes and Jack Citrin encouraged and assisted me in seeking research support. IGS librarians Paul King, Nick Robinson, and Julie Lefevre responded graciously to query after query. Christine Trost, Suzan Nunes, Camille Koué, Charlotte Merriweather, Barb Campbell, and Katherine Nguyen also ensured me a smooth path through Berkeley's own administrative state. Finally, Dylan Clark, Makyla DaPonte, Bo Kovitz, and Allison Arnold went above and beyond to help analyze legislation and sift through archival documents as part of Berkeley's Undergraduate Research Apprentice Program.

Numerous colleagues have shaped the ideas that animate these pages. First and foremost, Todd LaPorte supported and inspired my interest in the tangled infrastructure of American public policy. Chloe Thurston has been a careful reader and a caring friend, and may have seen this project through more iterations than anyone else. Fellow federalism scholar Beth Pearson shared in my excitement after punishing archival digs and was always happy to talk about the gory details of revenue sharing over coffee at Babette. When I started the project, conversations with Miranda Everitt helped me to cut through the vacuous jargon, most of it anyway, to the core of my ideas. Travis Johnston and Sara Chatfield gave encouraging and honest feedback when I needed it most. PerOla Öberg and Malin Holm also kindly arranged for me to present my research as part of two doctoral workshops at Uppsala University. Further thanks are due to Michael Dichio, Karen Tani, Chris Chambers-Ju, Ruth Bloch Rubin, Gregory Elinson, Paul Schulman, Laurel Eckhouse, Janna King, Stephen Goggin, Jake Grumbach, Jason Klocek, David Brian Robertson, Margaret Weir, Daniel Béland, Alex Waddan, Julia Azari, Lisa Miller,

Adam Sheingate, and Andrew S. Kelly for their willingness to read drafts, talk about ideas, or simply wax poetic.

As I wrote, sturdy companions helped me to avoid a hermetic lifestyle. I will never forget surveying the world from the top of the Hoover Tower with Peter Ekman, whose *esprit de corps* and sense of spatial adventure have made him my own personal “Center on Urban Studies.” After long days of writing, I was often privileged to share laughs and dinner with Joyce S. Lee, a housemate who has sustained me with her *bonhomie* and good taste. While Alicia Puglionesi was far away, her phone calls and letters have contributed to a *Wunderkammer* of ideas that continue to enrich my life.

Adequate words of thanks do not exist for friends who offered their support during a difficult time, including Andrew Macurak, Jack Thearle, Gerard Leone, Gemma Mangione, Lauren Mancuso, David Reinecke, Maia Averett, Patrick Driscoll, Alex Roehrkasse, Ben Shestakofsky, Gordon Shen, and Nathan Grover. In their professional capacities, Bryan Port and Brad Sickenius did the same. Let it also be said that some of my best writing was done while house sitting for Hans Wuerfmannsdobler and Teresa Mora; their cats Charlie and Parker proved to be ideal editorial assistants.

Most importantly, none of my work would have been possible or meaningful without many years of talking politics with Bart and Valerie Rocco over coffee and the *Pittsburgh Post-Gazette*. I dedicate this dissertation to them.

Table of Contents

Acknowledgements	ii
List of Tables	v
List of Figures	vii
List of Abbreviations	ix
Introduction	1
Chapter One Conservatives, Generative Institutions, and the Activist State	11
Chapter Two Laying the Groundwork for Change: Conservatives and the Commission on Intergovernmental Relations, 1947–1957	34
Chapter Three The Advisory Commission on Intergovernmental Relations and the Emergence of Conservative Policy Alternatives, 1958–1965	82
Chapter Four Preempting and Discrediting “Creative Federalism”: Conservatives, the ACIR, and the Great Society, 1965–1968	125
Chapter Five The New Politics of Federalism, 1969–1996	167
Chapter Six Restructuring Politics, Reorganizing Intergovernmental Relations	220
References	235
Appendix	256

Tables

Table 1.1. Major Reforms with Conservative Support and Significant Intergovernmental Effects, 1967–2003	12
Table 1.2. Reinforcement Mechanisms in Generative Institutions	29
Table 1.3. Variation Across Cases	32
Table 2.1. Witnesses at Hearings on Creating Intergovernmental Relations Commissions, 1949 and 1953	43
Table 2.2. Reasons Given by Witnesses for Creating a Commission, 1949 and 1953	44
Table 2.3. Members of the Commission on Intergovernmental Relations	50
Table 2.4. Membership on CIR Study Committees	60
Table 2.5. Select Results from Commission Survey on Federal Aid to Public Health	65
Table 2.6. Tally of CIR Recommendations by Report Chapter	72
Table 2.7. Dissents in the CIR’s Final Report	72
Table 2.8. Agency Responses to 1956 House Subcommittee Survey	75
Table 3.1. Composition of the Advisory Commission on Intergovernmental Relations	90
Table 3.2. ACIR Professional Staff and Relevant Work History, 1961–1965	93
Table 3.3. Commission Studies, 1961–1965	95
Table 3.4. Issue Attention in State Government Organizations	99
Table 3.5. Discussions of Federal Grants-in-Aid Mentioned in <i>The Book of the States</i> , 1950–1965	100
Table 3.6. Selected Results from Senate Government Operations Committee Survey on Intergovernmental Relations, 1963	106
Table 3.7. Organizational Statements of Support for ACIR, 1965 Hearings	109
Table 3.8. Hearings on Periodic Review and Termination of Grants-in-Aid	114

Table 3.9. Two Types of Intergovernmental Grant Reform Proposals, 1965	116
Table 3.10. Political Analysis of Alternatives to Grants-in-Aid, 1963–1964	121
Table 4.1. Topics of Council of State Governments’ Policy Reports, 1960–1968	136
Table 4.2. Reports Adopted by Task Force on the Functions of Federal, State, and Local Governments, as of November 12, 1965	140
Table 4.3. Revenue Sharing Bills in the Early 90 th Congress	148
Table 4.4. Johnson Administration Intergovernmental Relations Initiatives, 90 th Congress	153
Table 4.5. Major Provisions of the Intergovernmental Cooperation Act of 1968	154
Table 4.6. Organizations Explicitly Endorsing All Provision of S. 698	156
Table 4.7. Major Groups Stands on Quie Bill	161
Table 4.8. Voting on Safe Streets Block Grants	164
Table 5.1 Nonsouthern Democrats as Number (%) of New ACIR Appointees, 1969–1994	169
Table 5.2. Development of ACIR Research Products	171
Table 5.3. Growth of the American Legislative Exchange Council, 1976–1981	176
Table 5.4. ACIR Policy Recommendations, 1960–1995	179
Table 5.5. ACIR Recommendations Included in the Omnibus Budget Reconciliation Act, 1981	200
Table 5.6. Categorical Programs Covered by A–95, 1969–1978	202
Table 5.7. Implementation of ACIR Recommendations on Mandates, 1981–1988	210
Table 5.8. Bills Reviewed under UMRA by the Congressional Budget Office, 1996–2010	213
Table 5.9. ACIR’s “Rough Tradeoff Proposal”, 1980	214
Table 5.10. President’s Advisory Committee on Federalism	215

Figures

Figure 1.1. How Generative Institutions Work	30
Figure 2.1. Bills Introduced Proposing a Commission on Intergovernmental Relations, 1945–1954	41
Figure 3.1 Commission Members by Party Affiliation, 1960–1965	92
Figure 3.2. Attendance at ACIR Meetings, 1959–1965	101
Figure 3.3. Bill Introductions Mandating Congressional Review and Termination of Grants-in-Aid	113
Figure 3.4. Revenue Sharing or Block Grant Bill Introductions	122
Figure 4.1. Commission Members by Party Affiliation, 1964–1968	128
Figure 4.2. ACIR Policy Recommendations on Federal Grants-in-Aid, 86 th –90 th Congresses (1959–1968)	129
Figure 4.3. Number of Regional Offices of Federal Grant-Administering Departments	131
Figure 4.4. Attendance at ACIR Meetings, 1965–1968	133
Figure 4.5. Cartoon Featuring Ford, Goodell, Quie, and Johnson (1967)	159
Figure 5.1. Attendance at ACIR Meetings, 1969–1984	173
Figure 5.2. Congressional Appropriations for ACIR, 1980–1994 (Constant FY 1995 Dollars)	177
Figure 5.3. Cover Image for ACIR Report on Revenue Sharing, 1970	184
Figure 5.4. Joint Public Interest Group Statement on Revenue Sharing, 1970	186
Figure 5.5. Comparison of State and Local Allocation in Nixon Revenue Sharing Proposal and Final Conference Version	187
Figure 5.6. ACIR Annual Report Cover, 1971	189
Figure 5.7. Detail from ACIR Study on Financing Local Public Education	196

Figure 5.8. ACIR Visual Analysis of Safe Streets Act Administration	199
Figure 5.9. Number of States with Authority to Appropriate Federal Funds at the Program Level, 1977–2008	203
Figure 5.10. Percent of State Administrators Surveyed Reporting that Federal Programs Contribute “Skew” State Policy Goals, 1974–1988	205
Figure 5.11. Policy Recommendations for President Clinton on Unfunded Mandates, October 1993	212

Abbreviations

ACIR	Advisory Commission on Intergovernmental Relations (1959–1996)
AFL–CIO	American Federation of Labor and Congress of Industrial Organizations
ALEC	American Legislative Exchange Council
Chamber	U.S. Chamber of Commerce
CIR	U.S. Commission on Intergovernmental Relations (1953–1955)
CSG	Council of State Governments
HUD	Department of Housing and Urban Development
JFSAC	Joint Federal State Action Committee (1957–1960)
NACO	National Association of County Officials
NAM	National Association of Manufacturers
OEO	Office of Economic Opportunity
OMB	Office of Management and Budget
NGA	National Governors Association
NGC	National Governors’ Conference
PACF	President’s Advisory Committee on Federalism (1981–1982)
PCSF	President’s Commission on School Finance (1970–1972)
RCC	Republican Coordinating Committee
RNC	Republican National Committee
USCM	U.S. Conference of Mayors

Introduction

Speaking to a crowd at the American Enterprise Institute in July of 2014, House Budget Committee Chairman Rep. Paul Ryan (R–WI) released a plan for reforming federal poverty programs.¹ The core of Ryan’s 73-page proposal was what he called the Opportunity Grant, a pilot project in which the federal government would allow a select number of states to consolidate their control over entitlement programs, including the Supplemental Nutritional Assistance Program (frequently referred to as “food stamps”) and poverty programs such as Temporary Assistance to Needy Families.² These “pilot” states would have to submit proposals for replacing entitlement programs with plans for moving people “out of poverty and into independence,” requiring “all able-bodied recipients to work or engage in work-related activities in exchange for aid,” and engaging non-governmental service provision.³

Despite Ryan’s argument that the Opportunity Grant was not a “budget-cutting exercise,” the plan soon came under critique from progressives, who claimed that the evidence suggested otherwise.⁴ As the Center on Budget and Policy Priorities’ Robert Greenstein put it, “when a broad array of programs are merged into a block grant, policymakers find it virtually impossible to identify a specific level of needed federal funding — or the likely human impact of program cuts. As a result, the broad block grant often becomes easy to squeeze in the competition for federal budget dollars.”⁵ Undaunted, Ryan suggested that the plan “put the emphasis on results” and allowed state and local governments to leverage their strengths, including a “deep knowledge of their population and the unique challenges they face.”⁶

This study traces how reforms like Ryan’s, which empower state elected officials to shape the outcomes of federal policy, became so central to conservatives’ policy toolkit and so influential on the distribution of authority in the “activist” American state. Much existing scholarship takes such reforms for granted as either a conservative reaction to a glut of liberal policies that have concentrated public authority at the federal

¹ Transcript of “Expanding Opportunity in America: A Conversation with House Budget Committee Chairman Paul Ryan,” American Enterprise Institute, July 24, 2014.

² House Budget Committee Majority Staff, “Expanding Opportunity in America: A Discussion Draft from the House Budget Committee,” available: http://budget.house.gov/uploadedfiles/expanding_opportunity_in_america.pdf, accessed April 8, 2015.

³ *Ibid.*, 9–20.

⁴ See for example Chad Stone, “Opportunity Wasted,” *U.S. News and World Report*, September 12, 2014, available: <http://www.usnews.com/opinion/economic-intelligence/2014/09/12/paul-ryan-poverty-opportunity-grants-are-a-step-backward>, accessed April 8, 2015.

⁵ Robert Greenstein, “Commentary: Ryan ‘Opportunity Grant’ Proposal Would Likely Increase Poverty and Shrink Resources for Poverty Programs Over Time,” July 24, 2014, available: <http://www.cbpp.org/cms/?fa=view&id=4176>, accessed April 8, 2015.

⁶ Transcript of “Expanding Opportunity in America: A Conversation with House Budget Committee Chairman Paul Ryan,” American Enterprise Institute, July 24, 2014. 4.

level since the 1960s⁷ or a simple replay of conservatives' confrontation with the New Deal in the 1930s.⁸ *Reorganizing the Activist State* takes a different view on how these ideas and the coalition that supported them emerged. I show that conservatives' support for devolutionary policies was not a constant since the 1930s. Nor did the central ideas and coalitions supporting the so-called "New Federalism" emerge only after the Great Society. Rather, these ideas were the result of actions taken by conservatives in the 1940s to create *generative institutions*, deliberative venues that lacked binding authority, but subsidized policy entrepreneurship by producing information, brokering relationships between major stakeholders, and developing policy expertise. Rather than simply re-articulating existing critiques of the New Deal, these institutions identified concrete policy problems, provided unique opportunities for building and maintaining delicate coalitions with state and local officials, and generated alternatives like block grants and revenue sharing, which appealed to new stakeholders while undermining entrenched opposition from supporters of categorical programs. Indeed, in the absence of these institutions, it is unlikely that the most significant instances of devolution would have occurred when or how they did. This finding has implications, I argue, for how we think about non-binding deliberative institutions as sources of policy change.

I. The Argument: Generative Institutions and Federalism Reforms

In the early postwar period, conservative policy entrepreneurs often lacked policy-planning capacity within government. Despite conservatives' development of non-governmental policy research organizations, proposals to reverse liberal policy victories enjoyed little support from powerful federal executive agencies, leaving conservatives few opportunities to use these institutions to set new policy agendas. I argue that conservatives helped to solve this problem through creating commissions for studying and deliberating about problems of "intergovernmental relations," a term coined by political scientist Harold Laski in 1939 to address what he called the "increasing obsolescence of federalism."⁹ While conservatives disagreed with the normative implications of Laski's argument, its empirical relevance began to dawn on them by the 1940s. Faced with declining support for repealing federal social programs—either in Congress or the Courts—conservatives in the early 1950s created the Commission on Intergovernmental Relations (CIR), a primarily advisory body, designed only to study government rather than to make policy changes. In 1959, Congress acted on the CIR's recommendation to create a permanent Advisory Commission on Intergovernmental Relations (ACIR), which existed until 1996—longer than any other policy advisory commission established in the latter half of the twentieth century. These commissions

⁷ Timothy J. Conlan, *From New Federalism to Devolution: Twenty-five Years of Intergovernmental Reform* (Washington, DC: Brookings Institution Press, 1998), 2, 19–77; Robert M. Collins, *More: The Politics of Economic Growth in Postwar America* (New York: Oxford University Press, 2000), 107–109.

⁸ Michael K. Brown, *Race, Money and the American Welfare State* (Ithaca, NY: Cornell University Press, 1999).

⁹ Harold Laski, "The Obsolescence of Federalism," *The New Republic* 98 (May 1939), 367.

became what I call generative institutions, which produced the ideas, coalitions, and alternatives that were central to conservative federalism reforms.

My argument stands in contrast to scholars who claim that “devolutionary” reforms have had an obvious appeal for opponents of a large federal government.¹⁰ This was not generally the case before the creation of the CIR. As I show, congressional conservatives initially proposed the creation of these commissions in order to challenge the constitutional legitimacy of liberal social programs, and genuinely promoted the elimination of federal programs rather than turning authority over to state and local elected officials. Yet by participating on commissions, they soon learned that reforming the activist state required more than challenging judicial interpretations. Rather, it meant disrupting “policy feedback” which liberal programs generated by distributing authority to hospitable state and local bureaucrats, insulated from control by elected officials and funneling resources to concentrated urban constituencies.

I also part company with scholars who argue that conservative federalism reforms emerged as a reaction to the perceived failures of the Great Society.¹¹ Instead, I show that intergovernmental commissions were essential to the development of these reforms in three ways. First, in the absence of wider support for reform, commissions marshaled the power of existing executive-branch institutions to produce and publicize novel *information* about that branch’s own policy problems. Since the early twentieth century, governmental commissions had produced expert advice and recommendations on the reorganization of the executive branch, with the goal of improving the president’s capacity to manage the central state.¹² Yet by the early 1950s, conservatives had discovered a *new* purpose for these institutions, to investigate and publicize the problems of the central state’s authority and to develop a means of redistributing authority within federal programs away from their support constituencies and towards state and local elected officials.¹³ Thus whereas conservatives had previously railed against centralization on ideological terms or with constitutional justifications alone, new commissions investigated and exposed tensions within federal programs that their supporters were reluctant to acknowledge.

Second, to combat the entrenched coalition that supported liberal programs, the commissions’ bipartisan, intergovernmental composition provided conservatives in government with a single forum for *organizational brokerage*, the ability to interact and pursue common goals with significant stakeholders to help form an alternative coalition. In this case, the stakeholders were state and local elected officials who resented how federal grant programs empowered interest groups and policy specialists in state

¹⁰ See, for example, Michael K. Brown, *Race, Money and the American Welfare State*.

¹¹ Timothy J. Conlan, *From New Federalism to Devolution: Twenty-five Years of Intergovernmental Reform*, 7, 19–77.

¹² Sean Gailmard and John Patty, *Learning While Governing: Information, Accountability, and Executive Branch Institutions* (Chicago: University of Chicago Press, 2012), 167–226.

¹³ Joanna Grisinger, *The Unwieldy American State: Administrative Politics Since the New Deal* (Cambridge University Press, 2012).

administrative agencies at their expense.¹⁴ While conservatives did not know *ex ante* what kinds of policy alternatives were politically viable, deliberations with stakeholders helped to reframe policy problems and vet proposals for reform. It is thus no mistake that the few existing histories of these organizations—which typically neglect their origins—treat them as politically moderate, expert bodies for objectively assessing problems. Yet the outward appearance of neutrality and the internal capacity for broad coalition building and information gathering is precisely what made them so valuable to conservative reformers and so influential on the ideas these reformers embraced.

Third, over time, commissions helped conservative policy entrepreneurs to accumulate *strategic knowledge* about intergovernmental relations, which allowed them to recombine policy proposals into viable new alternatives that mobilized state and local officials and undermined the political support structure for categorical programs. This was a time- and resource-intensive endeavor. In the 1950s, the CIR trained a small group of conservative policy researchers with a superb working knowledge of intergovernmental relations, which they later took to organizations like the Hoover Institution, the U.S. Chamber of Commerce, and the task forces of the Republican National Committee (RNC). During its 37-year lifespan (1959–1996), the ACIR also developed the capacity for in-depth policy research and became capable of adjusting to new political scenarios, regrouping and expanding its research agenda after new initiatives failed to pass and monitoring the success of initiatives that did pass.¹⁵ While the Commission’s reports did not always display a bias towards conservative policy ideas, conservative policy entrepreneurs had good reasons to be biased in favor its research program.¹⁶

In the absence of the information, brokerage, and expertise these commissions provided, it is unlikely that conservatives would have pursued devolutionary reforms when and where they did. Federal agencies were not forthcoming about problems within social programs, especially when it came to their effect on intergovernmental relations. State and local officials may have remained *potential* coalition partners but they were a

¹⁴ Margaret Weir, “States, Race, and the Decline of New Deal Liberalism,” *Studies in American Political Development* 19 (2, 2005): 157–172.

¹⁵ Compared to presidential advisory commissions and task forces, which tend to have two-year lifespans, statutory advisory bodies like the ACIR have historically tend to be quite durable. The Medicare Payment Advisory Commission (MedPAC), for instance, has last 17 years. Before its retrenchment in 1995, the Office of Technology Assessment lasted for 23 years. See David Flintner, *The Politics of Presidential Commissions* (Dobbs Ferry, NY: Transnational Publications, 1986), 64; Medicare Payment Advisory Committee, Annual Report to the Congress (Washington, DC: GPO, 2015); Bruce Allen Bimber, *The Politics of Expertise in Congress: The Rise and Fall of the Office of Technology Assessment* (Albany, NY: SUNY Press, 1996).

¹⁶ Catherine Lovell, “Questioning ACIR Interpretations,” *Publius: The Journal of Federalism* 14 (3, 1984): 151. As Lovell argues, support for the ACIR among federalism scholars did not exempt it from a bias in perspective: “There are important problems with the ACIR’s analyses and prescriptions. Nowhere amidst its exhortations about system overload, super-marbleization, and dysfunctional intergovernmental complexity does the ACIR attempt to assess the benefits of the programmatic outputs of the system which they deplore so loudly. No cost/benefit ratio is attempted. The recipients of the benefits of the “overload” of programs are left out of the analysis altogether. The issue is never posed as “how can our federalist system serve people better” or “how can equity be advanced yet state and local autonomy be preserved.”

diffuse set of actors, and were rarely easy to mobilize. Conservative policy entrepreneurs also had other reform ideas in mind, ranging from constitutional amendments to tax credits. Yet by the 1960s the commissions had produced a network of intergovernmental policy experts, armed with new information, coalitions, and viable policy alternatives. Their policy solutions were capable of discrediting the activist state's policies, placing its supporters on the defensive, and generating support for changes to the intergovernmental grant system that could actually be enacted.

Beyond the better-known cases of block grants and general revenue sharing, the ACIR developed reforms which changed the way that traditional categorical programs functioned, increasing the control of state and local elected officials as opposed to state agencies and policy specialists who had long engaged in cozy "picket fence" relationships with federal agencies. Commission studies monitored past successes, allowing conservatives to refine New Federalism reforms in the early 1980s to combat a drift back towards federal controls. Finally, the ACIR's research tracked, clarified, and classified the emergence of intergovernmental mandates, expanded the definition of mandates to include restrictive categorical grants, and offered novel proposals for how Congress—rather than the courts—could solve the mandate "problem." Members of the 104th Congress relied on the ACIR's guidance in designing major legislative initiatives aimed at increasing the states' role in administering federal policies. Of course, it can hardly be said that intergovernmental commissions allowed conservatives to *eliminate* the use of the activist policy instruments like categorical grants and legal mandates. Nevertheless, their ability to define problems, build coalitions, and offer readymade policy solutions helped to make state and local elected officials more important decision-makers in the execution of national reforms, and reforms that forced Congress to consider the costs—as opposed to the benefits—of intergovernmental grants and regulations.

Just as these commissions helped to reshape the activist state, they also challenged "small government" principles at the core of postwar conservatism. By building new organizational ties and developing new policy alternatives to challenge administrative agencies, conservatives helped to legitimate a more extensive role for states in shaping federal policy decisions both prior to and after enactment. Intergovernmental commissions were powerful in supporting conservatives' efforts to reorganize the state, yet their approach to institutional change became less influential with the development of new institutions for policy planning, which advocated alternative tools for restructuring the activist state. In the early 1980s, a more robust conservative movement developed parallel institutions for brokering relationships with state and local officials and developing policy alternatives. This included new intergovernmental organizations like the American Legislative Exchange Council (ALEC) and a new President's Advisory Committee on Federalism (PACF). Though the structure of these organizations mirrored that of the ACIR, they now introduced alternative policies, including the privatization of core government functions, deficit-reduction measures, and proposals to require the states to bear full cost of financing federal welfare programs. Prior scholars have shown that conservative think tanks and legal foundations aided in this effort, yet *Reorganizing the Activist State* demonstrates that intergovernmental

organizations allowed conservatives to develop support within and outside government for new federalism reforms.¹⁷

II. Theoretical Contributions

In arguing that intergovernmental commissions were a necessary condition for conservatives to develop federalism reforms, I am also making a broader theoretical claim about the status of non-binding, deliberative institutions within the study of American Political Development (APD). While studies of APD are necessarily concerned with, as Karen Orren and Stephen Skowronek put it, “durable shifts in governing authority,”¹⁸ recent work by historical institutionalists suggests focusing on action to create “landmark laws” leaves out important cases of significant change, as well as important preconditions for change.¹⁹ As James Mahoney and Kathleen Thelen suggest, entrepreneurs facing adverse conditions for major reform may turn to strategies of *gradual change*, which aim to undermine existing policies indirectly.²⁰ Eric Schickler illustrates how political entrepreneurs develop “common carrier” reforms that build in support from multiple, crosscutting interests.²¹ Gerald Berk has also emphasized how change agents engage in reflexive, deliberative practices to transform the “raw materials” of policy ideas and political coalitions into forces for significant reform.²²

In contrast to these scholars, I argue that focusing on how actors work to change policy directly neglects how entrepreneurs bear the costs of reframing issues, building coalitions, and producing viable policy alternatives. Policy entrepreneurs’ success does not come cheap; as Matt Grossmann shows, it often depends on “formal roles and their connections to other decision-makers.”²³ Potential coalitions may exist, for example, but may remain unrealized without formal venues for negotiation. While theories of policy change that emphasize issue agendas and attention point to the importance of creating

¹⁷ Steven Teles, *The Rise of the Conservative Legal Movement* (Princeton, NJ: Princeton University Press, 2008); Neil Gross, Thomas Medvetz, and Rupert Russell, “The Contemporary American Conservative Movement,” *Annual Review of Sociology* 37 (2011): 325–354.

¹⁸ Karen Orren and Stephen Skowronek, *The Search for American Political Development* (Cambridge: Cambridge University Press, 2004), 123.

¹⁹ See for example Jeffrey Jenkins and Sidney Milkis, eds. *The Politics of Major Policy Reform in Postwar America* (Cambridge: Cambridge University Press, 2014); David Mayhew, *Divided we Govern: Party Control, Lawmaking and Investigations, 1946-2002* (Yale University Press, 2005); Matt Grossmann, *Artists of the Possible: Governing Networks and American Policy Change Since 1945* (New York: Oxford University Press, 2014); Timothy Conlan, Paul Posner, and David Beam, *Pathways of Power: The Dynamics of National Policymaking* (Washington, DC: Georgetown University Press, 2014).

²⁰ James Mahoney and Kathleen Thelen, “A Theory of Gradual Institutional Change,” in *Explaining Institutional Change: Ambiguity, Agency, and Power*, eds. James Mahoney and Kathleen Thelen (New York: Cambridge University Press, 2010), 1–38.

²¹ Eric Schickler, *Disjointed Pluralism: Institutional Innovation and the Development of the U.S. Congress* (Princeton, NJ: Princeton University Press 2001), 14

²² Gerald Berk, *Louis D. Brandeis and the Making of Regulated Competition, 1900-1932* (Cambridge University Press, 2009).

²³ Matt Grossmann, *Artists of the Possible: Governing Networks and American Policy Change Since 1945* (New York: Oxford University Press, 2014), 30.

new venues, this literature says little about the characteristics such venues must have in order to catalyze reform.²⁴ As Margaret Weir argues, since political issues are multi-faceted and interested actors have multiple identities and preferences, theories of policy change must take into account how institutions shape “the definition and redefinition of policy interests” to create a more hospitable environment for reform.²⁵

My argument about generative institutions captures how innovations like advisory commissions, task forces, and study groups distribute the costs of policy entrepreneurship. Unlike “landmark” legislation, these institutions are often low-cost and low-profile affairs, which speeds their passage through a legislative system laden with veto points. Since they do not create large-scale bureaucratic agencies or require redistributions in social costs and benefits, many generative institutions come into being with the stroke of the President’s pen or through low-stakes legislation.²⁶ Yet the creation of such institutions alone is not enough to generate policy. Nor can they simply be vehicles for the existing preferences of policy entrepreneurs. Rather, they only realize their potential when they uncover and publicize relevant information on policy problems, assemble a diverse range of stakeholders to co-determine problems and solutions, and allow for the development of strategic knowledge about existing institutions. Obviously, these properties are not common across advisory commissions, nor are they limited to commissions alone. Policy entrepreneurs can also soften the earth in which they dig by designing “demonstration programs,” innovations carried out by federal agencies, state governments, or even private philanthropies in the absence of major reform. To be effective at promoting change, these programs must also produce useful information

²⁴ Frank R. Baumgartner and Bryan D. Jones, *The Politics of Information* (Chicago: University of Chicago Press, 2015); Frank R. Baumgartner and Bryan D. Jones, *Agendas and Instability in American Politics* (Chicago: University of Chicago Press, 1993).

²⁵ Margaret Weir, “When Does Politics Create Policy? The Organizational Politics of Change,” in *Rethinking Political Institutions: The Art of the State*, eds. Ian Shapiro, Stephen Skowronek, and Daniel Galvin (New York: NYU Press, 2006), 171–186.

²⁶ While political scientists and policy historians have investigated the function of advisory commissions in facilitating congressional or presidential control of the bureaucracy, their inner workings, or the relationships between commissions and policy implementation, little scholarship considers commissions’ relationship to gradual institutional change. One exception to this trend is Joanna Grisinger, *The Unwieldy American State: Administrative Politics Since the New Deal* (Cambridge University Press, 2012); In general, see Peri Arnold, *Making the Managerial Presidency: Comprehensive Reorganization Planning, 1905-1996* (Lawrence, KS: University Press of Kansas, 1998); Amy Zegart, “Blue Ribbons, Black Boxes: Toward a Better Understanding of Presidential Commissions,” *Presidential Studies Quarterly* 34 (2, 2004): 366–393; Hugh Davis Graham, *The Uncertain Triumph: Federal Education Policy in the Kennedy and Johnson Years* (Durham, NC: University of North Carolina Press, 1984); Gerald N. Grob, “Public Policy and Mental Illnesses: Jimmy Carter’s Presidential Commission on Mental Health,” *Milbank Quarterly* 83 (3, 2005): 425–456; Mark Ritchey and Sean Nicholson-Crotty, “‘Blue Ribbon’ Commissions, Interest Groups, and the Formulation of Policy in the American States,” *Policy Studies Journal* 43 (1, 2015): 70–92. On commissions more generally, see Mathew D. McCubbins, Roger G. Noll, and Barry R. Weingast, “Administrative procedures as instruments of political control,” *Journal of Law, Economics, & Organization* 3 (2, 1987): 243–277; Susan Moffitt, *Making Policy Public: Participatory Bureaucracy in American Democracy* (New York: Cambridge University Press, 2014); Sean Gailmard and John Patty, *Learning While Governing: Information, Accountability, and Executive Branch Institutions* (Chicago: University of Chicago Press, 2012), 167–226.

about the relative benefits of reform, act as a forum for relevant stakeholders who can help to co-determine problem frames and solutions that are appealing to a broader coalition, and permit reformers to develop deep strategic knowledge about a policy area over a long period of time.

III. Plan of the Study

To examine how conservatives constructed and used generative institutions, I rely on within-case process tracing and between-case comparisons of four periods of conservative mobilization on issues of federalism. These cases are based on a wide range of empirical materials. Over a period of two years, I conducted an in-depth qualitative analysis of archival materials tracking a diverse set of players in the intergovernmental policy process. This began with the files of government commissions, and led to the personal papers of commission members and conservative policy entrepreneurs, as well as task forces within the RNC. I triangulated evidence from these sites with government documents, secondary sources and contemporaneous news reports. Additionally, I developed key indicators of the initiatives commissions endorsed and used them to examine data on party platforms, hearings, bill introductions, legislative enactments at both the federal and state level, executive orders, and administrative rule changes.

Briefly, the chapters are organized as follows. Chapter 1 elaborates on the theoretical framework sketched out here. First, I outline and critique existing scholarship on how conservatives came to challenge the “activist state” through reforming intergovernmental relationships. Second, I present my alternative explanation, which focuses on the role of generative institutions and weaves together several strands of scholarship on institutional change. Finally, I justify my case-selection techniques and develop empirical indicators for testing that theory in the analysis that follows.

Chapter 2 shows how the U.S. Commission on Intergovernmental Relations allowed conservative policy entrepreneurs to reshape their critique of a centrally administered activist state to incorporate a broader coalition of state and local officials. Archival evidence on the work of pivotal administrative commissions in the 1950s cautions against an anachronistic reading of devolutionary reforms as a pre-packaged piece of antistatist ideology. Initially, conservatives saw the CIR as an instrument for challenging the constitutional legitimacy of the New Deal, a view they shared with the organization’s first chairman, Clarence Manion. Manion’s ideological approach to leadership eventually led to his ouster, yet the conservatives he appointed to staff the CIR’s study groups soon developed a new approach to reform that focused on information production and building links with state and local officials. Though the CIR was too short lived to thoroughly develop its capacities for brokerage or developing policy expertise, its members harnessed the organization’s ability collect evidence about liberal policy failures that helped to reframe congressional debates over federalism in the late 1950s.

Chapter 3 shows how the Advisory Commission on Intergovernmental Relations (ACIR), created by Congress in 1959, enabled conservative policy entrepreneurs to draw on new information, organizational brokerage, and expertise to develop reforms that

mobilized state and local elected officials and undermined existing categorical programs. As a result of these studies, conservative policy entrepreneurs, including those who had previously served on the CIR, developed a wealth of strategic knowledge about intergovernmental relations. They used previously collected data to produce new “principled” policy alternatives in reports published by conservative research organizations. Conservatives in Congress also relied upon ACIR studies to introduce reforms that exacerbated tensions between state and local governments and federal agencies. Thus though conservatives’ institutional control of Congress began to wane, they were slowly developing the capacity to both escape charges of obstructionism and place liberal reformers on the defensive.

Chapter 4 shows how conservative policy entrepreneurs began to reap the benefits of the ACIR’s work as they launched an assault on the Great Society. First, by the late 1960s, the ACIR had developed the institutional capacity to analyze and criticize intergovernmental programs. With the publication of several landmark studies, the Commission also popularized the idea that the failure of liberal social policies could be attributed to the “crowding out” of state and local fiscal capacity by the federal government. Second, the Commission provided a unique site of brokerage allowing state and local officials and conservatives to identify possibilities for mutually beneficial action to undercut the power of bureaucrats and interest groups that supported and implemented categorical programs. Finally, the ACIR subsidized policy experts within RNC task forces, which explicitly prioritized federalism as an issue to broker support from disaffected elements of the New Deal coalition, including state and local officials and non-urban constituencies. These task forces—shunned by party moderates like George Romney and Nelson Rockefeller—employed experts from the CIR as well as current members of the ACIR to craft a coherent set of intergovernmental policy tools that became central to Republicans’ public messaging and legislative action leading up to the Republicans’ victory in the 1968 presidential election. By 1968, the task forces had helped to generate several successful proposals for block grant programs.

Chapter 5 charts the influence of intergovernmental commissions on multiple efforts by conservatives to reorganize the activist state between the 1970s and the 1990s. First, it shows how the ACIR generated and sustained interest-group coalition that produced general revenue sharing in 1972. Second, it illustrates the role played by the ACIR in framing issues and keeping some reforms, including the Nixon Administration’s election-year proposal for local school financing reform off the agenda. Third, the chapter examines the ACIR’s efforts at monitoring and refining the policy instruments of the New Federalism, including reforms to the administration of categorical programs and new block grants as well as its pivotal part in moving the issue of intergovernmental mandates from the courts into the legislative and executive branches in the 1980s and 1990s by defining and measuring these rules and promoting specific reform options. Finally, the chapter considers how the ACIR’s capacity for organizational brokerage on fiscal issues weakened in the 1980s, which disabled it from generating system-wide reforms to social programs. As conservatives developed a more robust infrastructure for planning intergovernmental policy initiatives that placed sharp constraints on state budgets, the ACIR lost its status as an exclusive venue for policy planning. After a slow

decline of funding in the 1980s, conservatives in the 104th Congress terminated the Commission in 1996.

Chapter 6 summarizes the evidence in prior chapters and reviews broader policy trends. It concludes by arguing for a new way of thinking about the activist state, about conservatives as contributors to state building, and about the role of generative institutions policy change. In the fragmented American polity, major reforms are difficult and rare. And even when new deliberative venues are rich with possibility, they may fail to generate major change. Yet when these venues bring new problems to light, broker ties with key stakeholders, and allow for the development of strategic knowledge about policy alternatives, they open up the potential for a viable politics of reform.

Chapter One

Conservatives, Generative Institutions, and the Activist State

...[F]orthright repudiation has marginalized conservatism as a policy alternative; its policy advances have elaborated instead upon the Eisenhower playbook...Conservatives today are more likely to offer policies that promise to do the same thing better than to propose restructuring governmental commitments altogether.

Stephen Skowronek (2009)¹

Conservatives have profoundly shaped the “activist” American state liberals built during the “long Great Society.”² Yet as the epigraph above suggests, conservatives’ influence on the state has not come through directly reversing liberal policy gains. Instead, conservatives have redeployed the state’s authority in ways that appealed to powerful interest groups and electoral constituencies.³ While conservative rhetoric often focuses on eliminating “big government,” conservative policies have found alternative ways to distribute government benefits, through tax credits and tax cuts, and have reorganized public authority through approaches to grant-making and regulation which gave actors other than federal agencies greater say in decision-making.⁴

This study focuses directly on one set of conservative policy tools: reforms geared towards strengthening the decision-making authority of state (and sometimes local) elected officials in the implementation of federal policy. As Table 1.1 suggests, between 1967 and 1996, conservatives brought coalitions together around numerous such initiatives at the federal level. While these reforms differed substantively from one another in their design and effects, conservatives viewed them with at least one common purpose: destabilizing the governing coalition of state and local bureaucrats and interest groups that supported liberal programs by redistributing decision-making authority to an alternative, politically diverse coalition of governors, state legislatures, mayors, and county officials, who often craved power for reasons other than ideology. Block grants like the Job Training Partnership Act of 1982 did this by replacing narrow categorical

¹ Stephen Skowronek, “An Attenuated Reconstruction: The Conservative Turn in American Political Development,” in *Conservatism and American Political Development*, Brian Glenn and Steven Teles, eds. (New York: Oxford University Press, 2009), 348–363.

² See for example Jeffrey Jenkins and Sidney Milkis, *The Politics of Major Policy Reform in Postwar America* (Cambridge: Cambridge University Press, 2014); David Mayhew, *Divided We Govern: Party Control, Lawmaking and Investigations, 1946-2002* (Yale University Press, 2005); Matt Grossmann, *Artists of the Possible: Governing Networks and American Policy Change Since 1945* (New York: Oxford University Press, 2014); Timothy Conlan, Paul Posner, and David Beam, *Pathways of Power: The Dynamics of National Policymaking* (Washington, DC: Georgetown University Press, 2014).

³ Brian Glenn and Steven Teles, eds., *Conservatism and American Political Development* (New York: Oxford University Press, 2009).

⁴ Monica Prasad, “The Popular Origins of Neoliberalism in the Reagan Tax Cut of 1981,” *Journal of Policy History* 24 (3, 2012): 351–383; Christopher Howard, *The Hidden Welfare State: Tax Expenditures and Social Policy in the United States* (Princeton University Press, 1999).

programs that had empowered program specialists with general-purpose grants over which elected officials had more direct authority. Similarly, though General Revenue Sharing supplemented rather than replaced existing categorical programs, it mobilized governors and mayors against categorical programs and allowed them develop the expertise necessary to exercise authority over state and local bureaucrats. Administrative reforms contained in OMB Circular A-95 (1969) and Executive Order 127372 (1982) gave elected officials new authority to review and reject applications for federal grants submitted by agencies and interest groups.

Table 1.1. Major Reforms with Conservative Support and Significant Intergovernmental Effects, 1967–2003

1967	Preventive Health and Health Services Block Grant
1968	Law Enforcement Assistance Administration Block Grant
1968	Intergovernmental Cooperation Act
1969	Office of Intergovernmental Relations Created OMB A-95 Circular: Coordination of Grants in Aid
1972	General Revenue Sharing (repealed, 1986)
1973	Comprehensive Employment and Training Act
1974	Community Development Block Grant Joint Funding Simplification Act
1975	Social Services Block Grant
1977	Federal Grant and Cooperative Agreement Act
1981	Block grant consolidations in Elementary and Secondary Education, Alcohol Drug Abuse and Mental Health Services, Maternal and Child Health Services, Preventive Health and Human Services, Primary Care, Social Services, Low-Income Home Energy Assistance, Community Development
1982	Job Training Partnership Act Executive Order 12372 on Intergovernmental Review of Federal Programs
1982	Executive Order 12612 on Federalism
1987	Executive Order 12612 on Federalism
1988	Community Youth Activity Block Grant
1990	Child Care and Development Block Grant HOME Investment Partnerships Program
1991	Surface Transportation Program
1992	Community Mental Health Services Block Grant
1996	Temporary Assistance to Needy Families

	Unfunded Mandates Reform Act
1998	Juvenile Accountability Block Grant Program
2003	State Homeland Security Grants
	Urban Area Security Grant Initiatives

Explaining the emergence of these reforms is difficult, in part because they had “multiple, vague, and conflicting” goals.⁵ Bruce Wallin’s study of revenue sharing, for instance, cites no less than 16 separate justifications for the program by its supporters ranging from eliminating federal involvement in public programs to creating a more equitable tax system.⁶ Prior scholarship has described the emergence of these “New Federalism” initiatives in two ways. First, some scholars trace their origins to the New Deal and the rather obvious harmony between the conservative coalition’s racial and economic bases—both of which coincided in their preferences for local control of government decisions. Second, other accounts argue that these policy alternatives developed in the early days of the Nixon administration, as a reaction to the perceived “failure” of liberals to effectively manage intergovernmental relationships within Great Society programs. In this study, I argue that neither of these perspectives adequately captures the process that generated New Federalism reforms. Instead, I claim that *generative institutions* for deliberating about intergovernmental relations, created in the 1950s, were a necessary condition for the emergence of the policy frames, coalitions, and alternatives that made up New Federalism. Facing obstacles to “turning back the clock” on the development of federal power, conservatives pushed for the creation of intergovernmental advisory commissions. While conservatives initially intended these commissions to illustrate the constitutional illegitimacy of federal programs, their multi-level structure and research capacity eventually helped conservative policy entrepreneurs to identify and publicize policy problems, broker new coalitions, and develop the strategic knowledge necessary for introducing and sustaining important reforms.

This chapter presents my argument in three steps. First, I consider and critique existing literature on conservatives’ engagement with the subject of federalism in national politics. In particular, I show that these perspectives do not fully account for how the policy problems, coalitions, and policy alternatives behind “New Federalism” came together, especially given conservatives’ initial reluctance to embrace devolutionary policy ideas, the difficulty of sustaining coalitions among state and local officials, and the entrenchment of constituencies that supported categorical programs. Second, to address these problems, I introduce the concept of generative institutions, which allow for problem identification, organizational brokerage, and the development of valuable strategic knowledge. When each of these elements are in place, change agents can reframe an issue, develop policy alternatives, build successful reform coalitions, and monitor past successes and new opportunities for action. I argue that conservatives’ creation and usage of intergovernmental advisory commissions represent one instance of

⁵ Bruce Wallin, *From Revenue Sharing to Deficit Sharing* (Washington, DC: Georgetown University Press, 1998), 6–7.

⁶ *Ibid.*

this process. The final section presents the empirical implications of my argument for evaluating the evidence presented in the balance of the study.

I. Understanding the Emergence of Conservative Federalism Reforms

In the library of scholarship on postwar American political development, conservatives and federalism tend to be shelved together.⁷ This coupling is a highly contingent one, traceable to the New Deal's secular reconfiguration of politics.⁸ Prior to the 1930s, conservative political elites used the power of the national state to consolidate economic markets and limit attempts by progressives to regulate commerce in the states.⁹ Yet the strengthening of the New Deal coalition and the emergence of national economic and social policies both severed conservative Republicans' allegiance to a robust national government and gave them common cause with Southern Democrats, rankled by the threats to their regional racial and economic order.¹⁰ In the postwar period, overlapping generations of "old guard" conservatives and "modern" conservatives thus challenged liberals' vision of an activist federal government. While the old guard often focused on obstructing or reversing the growth of the federal government, "modern" conservatives articulated a different version of the activist state, which included the diffusion of decision-making authority to venues other than federal agencies, especially state governments.¹¹

There are two dominant, but partially flawed, ways of understanding the emergence of conservative federalism reforms. The first is that these reforms were an obvious way for conservatives to satisfy long-held racial and economic preferences for a limited national government. Given Southerners' suspicion of federal control and their important role in shaping New Deal programs, scholars like Michael Brown, Joe Soss, Sanford Schram, and Richard Fording argue that "devolved" social policies represent a

⁷ See Clyde Weed, *The Nemesis of Reform: The Republican Party During the New Deal* (New York: Columbia University Press, 1994); Ira Katznelson, *Fear Itself: The New Deal and the Origins of Our Time* (New York: Liveright Publications, 2013); James T. Patterson, *Congressional Conservatism and the New Deal: The Growth of the Conservative Coalition in Congress, 1933-1939* (Lexington, KY: University of Kentucky Press, 1967); James T. Patterson, *The New Deal and the States: Federalism in Transition* (Santa Barbara, CA: Greenwood Press, 1981). Alan Brinkley, "The Problem of American Conservatism," *The American Historical Review* 9 (2, 1994): 409-429; Daniel Béland and Alex Waddan, "Conservative Ideas and Social Policy in the United States," *Social Policy & Administration* 41 (7, 2007): 768-786; Kim Phillips-Fein, "Conservatism: A State of the Field," *Journal of American History* 98 (3, 2011): 723-743.

⁸ See David Brian Robertson, *Federalism and the Making of America* (London: Routledge, 2012); Lisa Miller, *The Perils of Federalism: Race, Poverty, and the Politics of Crime Control* (New York: Oxford University Press, 2008).

⁹ John Gerring, *Party Ideologies in America* (New York: Cambridge University Press, 2001), 125-160; Richard Franklin Bensel, *The Political Economy of American Industrialization, 1877-1900* (New York: Cambridge University Press, 2000), 289-354.

¹⁰ See, among others, John Gerring, *Party Ideologies in America*, 125-160.

¹¹ Timothy J. Conlan, *From New Federalism to Devolution: Twenty-five Years of Intergovernmental Reform* (Washington, DC: Brookings Institution Press, 1998).

continuity in conservatives' influence on public policy rather than a break with the past.¹² As Brown puts it in his examination of welfare reform in the 1990s, "TANF's discrepancy between needs and resources represents a 50-year struggle over race and money."¹³ Masking this struggle, as these accounts suggest, is a euphemistic reference by both major parties to "cooperative federalism."¹⁴

There are good reasons to take this argument seriously. The conservative coalition's embrace with the idea of a limited national government was indeed longstanding. John Gerring, for instance, analyzes the content of national party platforms in the twentieth century and concludes that, beginning in 1928, an anti-statist GOP advocated for limited federal government interventions in the economy.¹⁵ Moreover, conservative sentiments on national control of public policy were consequential for the creation and implementation of New Deal reforms and left lingering tensions between conservative advocates of local control and liberal proponents of increased national administration.¹⁶ Studies of the development of the American welfare state during the New Deal show that Southern Democrats' racial preferences shaped limits on federal government activity in new social programs. As Ira Katznelson puts it, Southerners permitted the American welfare state the space to expand but, fearful of increasing threats to their racial order, created a "Southern cage" which limited the reach of federal authority during the New Deal.¹⁷ The realization of these fears in the form of more expansive civil rights reforms and social policies that distributed benefits to African Americans led southerners into an alliance with Republicans against non-southern Democrats commonly referred to as the "conservative coalition." Indeed, Cornell Clayton and J. Mitchell Pickerill show unsurprisingly that the Republican Party—especially after absorbing Southern Democrats—came to advocate policies reflecting the view that "the lines of power between national and subnational governments are not malleable but static, and that the federal government acts inappropriately when it trespasses those lines."¹⁸

¹² Michael K. Brown, *Race, Money and the American Welfare State* (Ithaca, NY: Cornell University Press, 1999); Joe Soss, Richard Fording, and Sanford Schram, *Disciplining the Poor: Neoliberal Parteralism and the Persistent Power of Race* (Chicago: Chicago University Press, 2011).

¹³ Michael K. Brown, "Ghettos, Fiscal Federalism, and Welfare Reform," in *Race and the Politics of Welfare Reform*, Sanford Schram, Joe Soss, and Richard Fording, eds. (Ann Arbor, MI: University of Michigan Press, 2003), 57.

¹⁴ Ibid.

¹⁵ John Gerring, *Party Ideologies in America: 1828–1996* (New York: Cambridge University Press, 2001), 125–160.

¹⁶ Theda Skocpol, "The Limits of the New Deal System and the Roots of Contemporary Welfare Dilemmas," in *The Politics of Social Policy in the United States*, Margaret Weir, Ann Shola Orloff, and Theda Skocpol, eds. (Princeton, NJ: Princeton University Press, 1988), 293–311.

¹⁷ Ira Katznelson, *Fear Itself: The New Deal and the Origins of Our Time* (New York: Liveright Publications, 2013); See also Ira Katznelson, "Was the Great Society a Lost Opportunity," in *The Rise and Fall of the New Deal Order*, eds. Steve Fraser and Gary Gerstle (Princeton, NJ: Princeton University Press, 1989), 185–211.

¹⁸ Cornell W. Clayton and J. Mitchell Pickerill, "Guess What Happened on the Way to the Revolution? Precursors to the Supreme Court's Federalism Revolution," *Publius: The Journal of Federalism* 34 (3, 2004), 96.

Yet though few would seriously question the importance of racial and economic preferences in directing conservatives' policy agenda, the narrative of continuity leaves much to be desired in explaining the rise of conservative federalism reforms. First, it confuses conservative preferences with observed legislative behavior.¹⁹ In fact, conservatives in the early postwar period hardly agreed that devolving responsibilities to the states was the most desirable or obvious way to reform activist government. For many years prior to these reforms, conservatives pushed for stricter judicial scrutiny on federalism²⁰, opposed legislation that expanded the size of government before it could be voted on, and urged the passage of "court curbing" statutes²¹, which required federal judges to scrutinize interpretation of congressional preemptions of state authority. Block-grant and revenue-sharing proposals in the 1970s were also the subject of internal disputes among conservative elites.²² "Old-guard" members of Congress like Reps. Les Arends (R-IL) and Durward Hall (R-MO) vocally opposed these initiatives when they were proposed.²³ While pundits like James Kilpatrick at *Human Events* wrote that the proposals were "based in wise tradition and old fashioned frugality," *National Review's* William F. Buckley doubted their ability to return "power to the people," and seemed more likely to become "just one more huge welfarist expenditure."²⁴

The evolution of conservatives' ideas about federalism over time and internal dissent among conservatives should cause us to doubt the claim that the politics of devolved social policy are little more than a replay of debates over the New Deal with different language. Between the New Deal and the Great Society, the meaning of "limited government" for many conservatives had changed from one of opposing federal involvement, full stop, to challenging the weakness of states' role in making key policy decisions. Additionally, disputes between conservatives should reveal that the reforms that emerged were not simply the ideal expression of conservative sentiments on federal authority.

Related to these weaknesses, the narrative of continuity misses increasing *constraints* on conservatives that fundamentally limited more full-throated attempts at

¹⁹ On this analytical problem more generally, see David E. Broockman, "The 'Problem of Preferences': Medicare and Business Support for the Welfare State," *Studies in American Political Development* 26 (2, 2012): 83–106.

²⁰ Jeffrey A. Jenkins and Nathan W. Monroe, "Negative Agenda Control and the Conservative Coalition in the U.S. House," *The Journal of Politics* 76 (4, 2014): 1116–1127; Ira Katznelson, Kim Geiger, and Daniel Kryder, "Limiting liberalism: the Southern Veto in Congress, 1933–1950," *Political Science Quarterly* 108 (2, 1993): 283–306; Kathryn Pearson and Eric Schickler, "Discharge Petitions, Agenda Control and the Congressional Committee System, 1929–76," *The Journal of Politics* 71 (4, 2009): 1238–1256.

²¹ Curt Nicholas, Dave Bridge, and Adam M. Carrington, "Court Curbing via Attempt to Amend the Constitution: An Update of Congressional Attacks on the Supreme Court from 1955–1984," *Justice System Journal* 35 (4, 2014): 331–343.

²² Timothy J. Conlan, "The Politics of Federal Block Grants: From Nixon to Reagan," *Political Science Quarterly* 99 (2, 1984): 247–270.

²³ Rowland Evans and Robert Novak, "House GOP Schism Puts Laird at Head of Pragmatic Minority," *Washington Post*, October 18, 1967, A17.

²⁴ Both quoted in Sarah Katherine Mergel, *Conservative Intellectuals and Richard Nixon: Rethinking the Rise of the Right* (London: Palgrave, 2010), 103.

retrenchment. Between the 1930s and the 1960s, categorical programs generated networks of federal, state and, local bureaucrats that implemented these programs. These networks—which scholars often referred to as “picket-fence” federalism—rose up to support categorical programs against attacks.²⁵ Similarly, the programs enjoyed support from members of Congress seeking clear opportunities to claim credit for good policy outcomes.²⁶ Finally, the programs galvanized support among liberal interest groups, including unions and civil rights organizations.²⁷ As Nixon advisor Daniel Patrick Moynihan warned the President after he proposed significant cuts: “All the Great Society activist constituencies are lying out there in wait, poised to get you if you try to come after them: the professional welfarists, the urban planners, the day-carers, the social workers, the public houses. Frankly, I’m terrified at the thought of cutting back too fast.”²⁸

Moynihan’s hyperbole notwithstanding, he was at a basic level correct that these groups presented a challenge to retrenching or obstructing “big government.” Moreover, by the late 1960s, conservatives no longer possessed a favorable committee system in Congress that had previously allowed them to quietly obstruct popular liberal reforms. With an increasingly mobilized polity supporting the activist state, and with weaker capacity for obstruction, conservatives had to rely on coalitions for reform that included Republican and Democratic moderates.²⁹ Obviously, not all efforts succeeded. The Nixon administration’s 1973 budget proposal, which proposed nearly \$21.7 billion dollars in cuts to key federal social programs by 1975, met with sharp resistance from these organizations, which allowed Democrats in Congress to jettison the proposal.³⁰ New Federalism reforms, by contrast, were the product of longer-term efforts at coalition building. These constraints further emphasize just how much had changed for conservatives’ approach to the politics of federalism between the New Deal and the Great Society and thus the analytical limits of the “continuity” perspective.

In contrast, research by other scholars places a great deal of weight on the “failure” of Great Society reforms as an engine of conservative policy change. For scholars like Timothy Conlan, A. James Reichley, Roger Biles, and Bruce Wallin, 1968 represents a breakpoint in the politics of federalism.³¹ With the rollout of major Great Society reforms came, as Conlan puts it, “a rising chorus of complaints from citizens,

²⁵ Deil S. Wright, *Understanding Intergovernmental Relations* (Scituate, MA: Duxbury Press, 1978), 145.

²⁶ David Mayhew, *Congress: The Electoral Connection* (New Haven, CT: Yale University Press, 1974), 54.

²⁷ Theda Skocpol, “Government Activism and the Reorganization of American Civic Democracy,” in *Activist Government and the Rise of Conservatism*, eds. Theda Skocpol and Paul Pierson (Princeton, NJ: Princeton University Press, 2007), 39–67.

²⁸ Quoted in David McKay, *Domestic Policy and Ideology: Presidents and the American State, 1964–1987* (Cambridge University Press, 1989), 66.

²⁹ A. James Reichley, *Conservatives in an Age of Change: The Nixon and Ford Administrations* (Brookings Institution Press, 1981).

³⁰ Bruce Wallin, *From Revenue Sharing to Deficit Sharing* (Washington, DC: Georgetown University Press, 198), 48.

³¹ Timothy Conlan, *From New Federalism to Devolution*; James Reichley, *Conservatives in an Age of Change*; Roger Biles, *The Fate of Cities: Urban America and the Federal Government, 1945–2000* (University Press of Kansas, 2011); Bruce Wallin, *From Revenue Sharing to Deficit Sharing*.

scholars, and elected officials about government fragmentation, inadequate coordination, growing intergovernmental conflict, and federal intrusiveness.”³² Even according to internal histories produced by the Office of Economic Opportunity, Great Society programs had “raised expectations of the poor without providing effective means for fulfilling them,” and had “failed to create a viable partnership” with the state and local governments charged with implementation.³³ The action in these narratives, therefore, is unsurprisingly centered on three presidential administrations—Nixon, Ford, and Reagan—as well as the 104th Congress, with only passing references to government reports and public reports detailing dissatisfaction with Great Society programs.

While these accounts do not deny the ideological and partisan impulses behind federalism reform, they suggest that the key driving factor permitting conservatives to take *action* was an increasing awareness of widely perceived “limits to federal activism” and widespread public resentment towards particularly egregious examples of arbitrary “federal overreach.”³⁴ The activist state itself, these narratives claim, created the potential for conservative federalism reforms through “administrative dysfunctions” like excessive and irrational grant categorization, failure to consult with state and local officials, and attempt to challenge traditional bases of power like state capitols and city halls.³⁵ Thus both Nixon and Ford administrations “promoted the decentralization of administrative control over social programs” in part because of public concerns about “effective management,” respect for “community values,” and “budgetary discipline.”³⁶ In other words, conservatives’ opposition to an activist federal government preceded the Great Society, but the revelation of the Great Society’s failures necessarily preceded conservative solutions.³⁷

As with the first set of studies, this “reaction” narrative contains a kernel of truth. Conservative-led initiatives on federalism did begin to translate into major reforms only after 1968. The promoters of these reforms were more than happy to draw on public criticism of the Great Society to publicly justify their proposals. In his speech accepting the Republican nomination for President, Richard Nixon could criticize more easily than his predecessors had, Democratic proposals to pour “billions of dollars into programs that have failed in the United States of America.”³⁸ He could also offer a program of devolution-oriented reforms that promised to “turn back to the States a greater measure of

³² Timothy Conlan, *From New Federalism to Devolution*, 6.

³³ *Ibid.*

³⁴ See, for example, A. James Reichley, *Conservatives in an Age of Change*.

³⁵ Paul L. Posner, *The Politics of Unfunded Mandates: Whither Federalism?* (Washington, DC: Georgetown University Press, 1998).

³⁶ Bruce Wallin, *From Revenue Sharing to Deficit Sharing*, 142.

³⁷ Robert M. Collins, *More: The Politics of Economic Growth in Postwar America* (New York: Oxford University Press, 2000), 107–109.

³⁸ Richard Nixon, “Address Accepting the Presidential Nomination at the Republican National Convention in Miami Beach, Florida,” August 8, 1968, available: <http://www.presidency.ucsb.edu/ws/?pid=25968>, accessed January 15, 2015.

responsibility—not as a way of avoiding problems, but a better way of solving problems.”³⁹

While the Great Society’s failings did not necessarily solve the problem of organized opposition that Moynihan brought to light, they gave conservatives the support of disgruntled state and local governments who would, as these narratives put it, become a driving force behind the reduction of federal overreach. With support from state and local governments, it became difficult for liberal opponents of federalism reforms to criticize the elements that made them most objectionable. Criticizing a lack of “accountability” made little sense in the context of a program meant to generate creativity. Additionally, as Bruce Wallin argues, members of Congress were reluctant to one major reason for opposing these reforms: that decategorizing federal programs would limit their ability to take credit for popular policy outcomes.⁴⁰ As conservatives grew larger electoral and interest group coalitions, their rhetoric and policy alternatives on federalism grew more extreme and focused on cutting budgets rather than giving states greater discretion. Nevertheless, successful initiatives continued to hinge upon the dilemmas set into motion by instances of perceived policy failures resulting from federal overreach.⁴¹

The “reaction” narrative is clearly more sensitive to elements of historical context than those that emphasize continuities, especially given its focus on how conservatives’ approach to the politics of federalism changed between the 1930s and the 1970s, as well as on the political constraints and opportunities that helped to shape the political success of federalism reforms. Yet there are several reasons to doubt the claim that “reaction” adequately describe the political process that led to these reforms. First, by 1968, conservatives had over twenty years of experience in identifying and publicizing technical failures of the administrative state. As scholars like Jonathan Bell and Joanna Grisinger have shown, conservatives in the 80th Congress helped to place the liberal state “on trial” with a series of high-profile reforms that helped to expose the administrative inefficiencies, arbitrary decision-making, and irrational policy choices that resulted from bureaucratic dominance.⁴²

Where federalism issues were concerned, conservatives began to gradually pull back on the “states’ rights” argument beginning in the early 1950s. Interest groups like the U.S. Chamber of Commerce and the National Association of Manufacturers, as well as research organizations like the American Enterprise Association (later the American Enterprise Institute) and the Hoover Institution, produced numerous monographs, pamphlets, and policy briefs with titles like *The Coming Challenge in Federal–State Relations* that cited evidence of “waste” and “incompetence” to support devolving the

³⁹ Richard Nixon, “Address to the Nation on Domestic Programs,” August 8, 1969, available <http://www.presidency.ucsb.edu/ws/?pid=2191>, accessed January 15, 2015.

⁴⁰ Bruce Wallin, *From Revenue Sharing to Deficit Sharing*, 50.

⁴¹ Richard S. Williamson, “A New Federalism: Proposals and Achievements of President Reagan's First Three Years,” *Publius: The Journal of Federalism* 16 (1, 1986): 11–28.

⁴² Jonathan Bell, *The Liberal State on Trial: The Cold War and American Politics in the Truman Years*. (Columbia University Press, 2004); Joanna Grisinger, *The Unwieldy American State: Administrative Politics Since the New Deal* (Cambridge University Press, 2012).

administration of federal programs to state and local elected officials—the same kind of charges they would levy against the activist state after 1968.⁴³ Nevertheless, coordinating action proved difficult, especially given the heterogeneous economic and political preferences of state and local officials.⁴⁴

Conservatives' attempt to build ties to state and local governments also began much earlier than the “reaction” narrative suggests. While public officials remained supportive of federal grants-in-aid policies, conservative policy entrepreneurs began to build linkages with them on the basis of their mutual distaste for federal “control” in these programs. In 1959, the Hoover Institution's Roger Freeman—who began to specialize in intergovernmental relations after his work as a staffer for the U.S. Commission on Intergovernmental Relations in the early 1950s—penned numerous articles arguing for consolidated “grants without strings” in the professional journals of state and local officials like the *National Civic Review*.⁴⁵ Organizations like the U.S. Chamber of Commerce gradually warmed to intergovernmental grants, but they also asked their members to write to state and local officials, urging them to oppose unnecessary federal restrictions on the use of grant-in-aid funds and in some cases successfully convincing state and local governments to turn back federal aid in protest.⁴⁶ Additionally, conservatives in Congress like Sen. Everett Dirksen (R–IL) began to position themselves as the representatives of states' functional interests. As Karen Tani shows, congressional conservatives successfully capitalized on state welfare administrators' complaints to pass legislation barring restrictions on states' usage of funds in order to “throw off the socialistic shackles of a power-hungry [federal] bureaucracy.”⁴⁷ By the mid-1960s, conservatives had come to see state and local governments as key coalitional partners in challenging the activist state.

Finally, conservatives were developing and testing policy alternatives like “grants without strings” in the late 1950s, long before the “reaction” narrative suggests. By 1959, conservatives came to abandon failed proposals for simply eliminating federal involvement in social programs. During the same period, they came to more fully embrace reforms that gave states greater control over federal funds. In 1961, the American Enterprise Association published monographs like George C.S. Benson's

⁴³ W. Brooke Graves, *The Coming Challenge in Federal-State Relations* (Washington, DC: U.S. Chamber of Commerce, 1957), 12–13; George C.S. Benson and Harold F. McClelland, *Consolidated Grants: a Means of Maintaining Fiscal Responsibility* (Washington, DC: American Enterprise Association, 1961); Roger Freeman, *Federal Aid to Education, Boon or Bane?* (Washington, DC: American Enterprise Association, 1955).

⁴⁴ Eugene A. Myers and Randall S. Stout, “The Role of the States and Local Governments in National Fiscal Policy,” *National Tax Journal* 10 (2, 1957): 171–175.

⁴⁵ Compare Roger Freeman, “Grants Without Strings,” *National Civic Review* 48 (June, 1959), 298 with Roger Freeman, “The Perils of Not Sharing,” *National Civic Review* 56 (8, 1967): 453–469.

⁴⁶ See United States Congress, House of Representatives, 85th Cong., 1st Sess., Federal–State–Local Relations: Hearings before a Subcommittee of the Committee on Gov Operations, July 29–31, 1957; U.S. Chamber of Commerce, Special Report on Federal Intervention on State and Local Affairs, May 15, 1961, Roger Freeman Papers, Folder: Proposals for Federal Aid, 1959, Box 237, Hoover.

⁴⁷ Karen Tani, *States of Dependency: Welfare Rights and American Governance, 1935–1965*. (New York: Cambridge University Press, forthcoming), Chapter 5.

Consolidated Grants: A Means of Maintaining Fiscal Responsibility, and distributed them to a broad network of congressmen who began to introduce prototype “block grant” legislation.⁴⁸ Benson personally sold his reform proposals at the annual National Governors’ Conference in 1959.⁴⁹ By 1965, he had become known in conservative circles as “Mr. Intergovernmental Relations.”⁵⁰ Throughout the early 1960s, he and his colleague Roger Freeman would advise Republican congressmen on these alternatives and author major reports for the RNC similar policies.⁵¹ Taken together, this evidence suggests numerous reasons to doubt the “reaction” narrative’s emphasis on the Great Society as the breakpoint in conservatives’ approach to the politics of federalism.

II. An Alternative Explanation: Generative Institutions and Gradual Change

In short, devolutionary “New Federalism” reforms cannot be explained as a reaction to the policies of the Great Society. Nor, given the emergence of new coalitional and policy challenges for conservatives, can they be adequately described as the result of durable policy preferences. Rather, I claim that they were the result of a gradual process in which conservatives attempted to adapt federalism issues to meet new political challenges, one which began *before* any objective or perceived failures of Great Society programs emerged and revealed new policy problems, coalitional possibilities, and policy alternatives. Central to this process was the creation of *generative institutions*, which I define as non-binding, deliberative venues that have three functions: (a) producing unique information on policy problems that is useful to a large number of actors and helps to reframe political debates on a particular issue; (b) providing a forum for negotiation with multiple important stakeholders to identify problems and policy solutions, which allows entrepreneurs to craft broad political coalitions for reform; and (c) allowing for entrepreneurs to accumulate strategic knowledge about public policy over time that allows for the production of coherent, viable policy alternatives and the monitoring of policy successes. While there are many theoretical paths to reform that do not include generative institutions, I argue that they were necessary in this case because entrenched opposition to conservative reforms and the high costs of developing expertise and sustaining coalitions closed off other pathways of change.

Five claims are at the center of my argument about generative institutions.

- *Claim 1: Policy entrepreneurs encountering entrenched opposition to reform and costly entrepreneurial activity will attempt to create non-binding deliberative institutions with the aim of reframing policy issues, building broader coalitions for reform, and crafting policy alternatives that appeal to those coalitions.*

⁴⁸ George C.S. Benson and Harold F. McClelland, *Consolidated Grants*

⁴⁹ Proceedings of the 51st Annual Meeting of the National Governors’ Conference, San Juan, Puerto Rico, August 2–5, 1959 (Washington, DC: National Governors’ Conference), 108–114.

⁵⁰ Charles Mack, Memorandum on Research Specialist Task Force: Organization and Publication Schedule, May 17, 1965, Ray Bliss Papers, Box 113, OHS.

⁵¹ See Ray Bliss Papers, Boxes 113–114, OHS.

Major reforms are notoriously difficult to achieve in the United States.⁵² The diffuse, fragmented structure of the American polity creates multiple veto points that raise the transaction costs of large reforms. Thus even when political parties take control of one or both elected branches of government, institutional changes acceptable to political majorities can remain out of reach. In this institutional context, policy changes that *threaten existing institutional arrangements* are even more unlikely.⁵³ Especially when existing policies generate “feedback,” in the form of durable support from interest groups and bureaucratic agencies, legislative proposals that undermine the benefits or authority that these groups currently enjoy are unlikely to enjoy legislative success.⁵⁴

Historical-institutional accounts often suggest that agents of change facing such structural barriers can turn to alternative strategies to alter existing policies. James Mahoney and Kathleen Thelen, for instance, argue policy entrepreneurs facing these conditions may turn to forms of *gradual change*, which aim to undermine existing policies indirectly.⁵⁵ These strategies include failing to draft legislation or rules that adapt them to new conditions (drift), altering their application in practice through actions in the executive branch or at the street level (conversion), or introducing new reforms alongside existing structures that affect their operation (layering). In contrast to these subterranean forms of change, Eric Schickler emphasizes that entrepreneurs often engage in coalition building. Central to Schickler’s argument is that successful reforms are often “common carriers,” that support the interests of multiple groups, though each group believes the reform will promote their own interest. The example Schickler gives is the Legislative Reorganization Act of 1970, which was supported by liberal Democrats who hoped that it would limit the power of conservative committee chairmen, as well as junior Republicans who hoped it provide more opportunities for rank-and-file participation, enabling them to develop power within Congress.⁵⁶ Finally, recent work by scholars of “pragmatist institutionalism” such as Gerald Berk have shown how entrepreneurs generate policy changes by recombining existing ideas, interests, and institutions through deliberation and imaginative narratives.⁵⁷ In his analysis of the emergence of regulated competition in the early twentieth century, for example, Berk illustrates how Louis Brandeis decomposed and recombined elements of “civic republicanism” to construct an alternative approach to economic governance that gained the support of both progressives and populists by insisting that economic regulation facilitate competition, lock in power,

⁵² R. Kent Weaver and Bert A. Rockman, eds. *Do Institutions Matter?: Government Capabilities in the United States and Abroad* (Brookings Institution Press, 1993).

⁵³ Paul Pierson, *Dismantling the Welfare State? Reagan, Thatcher, and the Politics of Retrenchment* (New York: Cambridge University Press, 1994).

⁵⁴ Paul Pierson, “When effect becomes cause: Policy feedback and political change,” *World Politics* 45 (4, 1993), 595–628.

⁵⁵ James Mahoney and Kathleen Thelen, “A Theory of Gradual Institutional Change,” in *Explaining Institutional Change: Ambiguity, Agency, and Power*, eds. James Mahoney and Kathleen Thelen (New York: Cambridge University Press, 2010), 1–38.

⁵⁶ Eric Schickler, *Disjointed Pluralism: Institutional Innovation and the Development of the U.S. Congress* (Princeton, NJ: Princeton University Press 2001), 13.

⁵⁷ Gerald Berk, *Louis Brandeis and the Making of Regulated Competition, 1900–1932* (New York: Cambridge University Press, 2012).

and enhance productivity.⁵⁸

Each of these approaches is helpful for understanding how policy entrepreneurs overcome barriers to institutional change.⁵⁹ Yet by focusing on instances in which policy entrepreneurs take action to change public policy directly, each argument also ignores how policy entrepreneurs bear the costs of reframing problems, building coalitions, or developing policy alternatives. As Matt Grossmann points out, theories of “actor success” often neglect the importance of entrepreneurs’ “formal roles and their connections to other decision-makers.”⁶⁰ Grossmann’s landmark study of policy reform suggests that policy entrepreneurs are not likely to be successful unless they have positions of authority in government (e.g. committee chairs) and the ability to develop ties with other actors in positions of authority over a long period of time. If Grossmann is right, however, then entrepreneurs without strong formal roles or connections to other decision-makers have strong incentives to invest in creating new institutional venues that will allow them to distribute the costs of reframing debates, crafting policy alternatives, and building ties to important actors.⁶¹

Existing scholarship points out three ways in which creating new deliberative venues enables policy entrepreneurs to generate major reforms. First, policy process scholars like Frank Baumgartner and Bryan Jones show that the creation of new venues for deliberation can produce new definitions of policy problems, which, as Daniel Béland puts it, “convince decision makers, interest groups, and the population at large that change is necessary.”⁶² Second, research on collaborative governance has shown that new institutions can create coalitions for policy reform by serving as high-profile forums in which multiple public and private stakeholders and policymakers can collectively identify policy problems and develop solutions.⁶³ Third, research on American federalism has shown that the creation of “institutional niches” can allow policy entrepreneurs to develop policy alternatives that mobilize new political coalitions and breaking up old ones, as well as the capacity to learn about policy successes and failures over time.⁶⁴

These institutions are not necessarily homogeneous in terms of their structure,

⁵⁸ Ibid.

⁵⁹ Adam Sheingate, “Institutional Dynamics and American Political Development,” *Annual Review of Political Science* 17 (2014): 461-477.

⁶⁰ Matt Grossman, *Artists of the Possible: Governing Networks and American Policy Change Since 1945* (New York: Oxford University Press, 2014), 30.

⁶¹ Adam Sheingate, “Institutional Dynamics and American Political Development.”

⁶² See, most recently, Frank Baumgartner and Bryan Jones, *The Politics of Information* (Chicago: University of Chicago Press, 2015); Daniel Béland, “The Social Exclusion Discourse: Ideas and Policy Change,” *Policy & Politics* 35 (1, 2007):125; Robert H. Cox, “The Social Construction of an Imperative: Why Welfare Reform Happened in Denmark and the Netherlands but not in Germany,” *World Politics* 53 (3, 2001): 463-498; David Rochefort and Roger W. Cobb, *The Politics of Problem Definition: Shaping the Policy Agenda* (Lawrence, KS: University Press of Kansas, 1994).

⁶³ Chris Ansell and Alison Gash, “Collaborative Governance in Theory and Practice,” *Journal of Public Administration Research and Theory* 18 (4, 2008): 543-571.

⁶⁴ Lisa Miller, *The Perils of Federalism: Race, Poverty, and the Politics of Crime Control* (New York: Oxford, 2008); Laura Evans, *Power from Powerlessness: Tribal Governments, Institutional Niches, and American Federalism* (New York: Oxford, 2011).

authority, and longevity. Short-term demonstration projects funded by philanthropies and presidential task forces helped to remake the politics of social reform during the Great Society.⁶⁵ Long-lasting, iterative Medicaid demonstration projects carried out under existing statutory authority helped to build support for program changes at the national level⁶⁶ just as long-term state experiments with welfare-to-work policies helped to create prominent policy alternatives to Aid to Families with Dependent Children in 1996.⁶⁷ Permanent government organizations acting with public authority, such as the Council of Economic Advisors and the Bureau of Labor Statistics, have helped to craft elite consensus on policy choices over time⁶⁸, yet so have non-binding deliberative forums for state officials like the National Association of Insurance Commissioners.⁶⁹

While there is a wide literature on deliberative and information-producing institutions, we know little about the conditions under which they will be successful at catalyzing policy change or become marred by irrelevance. Advisory commissions reach their expiration date without issuing recommendations and publish reports that are quickly orphaned by Congress.⁷⁰ Stakeholder forums will fail to build coalitions.⁷¹ And demonstration projects will, to their designers' chagrin, fail to produce new reforms.⁷² In this study, I show that new institutions generate new politics when they produce information on policy problems is broadly perceived as useful and credible, permit brokerage between major policy stakeholders, and allow policy entrepreneurs to develop strategic knowledge about an area of public policy over time. Such institutions will yield robust reforms, though often not the specific measures their creators may have intended initially. The following three claims consider each of these features individually.

- Claim 2: *Institutions allow policy entrepreneurs to reframe debates when they produce information about policy problems that policymakers generally perceive as*

⁶⁵ Peter Marris and Martin Rein, *The Dilemmas of Social Reform* (New York: Atherton Press, 1969); Hugh Davis Graham, "The Ambiguous Legacy of American Presidential Commissions," *The Public Historian* 7 (2, 1985): 5–25.

⁶⁶ Frank J. Thompson, *Medicaid Politics: Federalism, Policy Durability, and Health Reform* (Georgetown University Press, 2012).

⁶⁷ Steven Teles and Timothy S. Prinz, "The Politics of Rights Retraction: Welfare Reform from Entitlement to Block Grant," in *Seeking the Center: Politics and Policymaking at the New Century*, eds. Martin Levin, Marc Landy, and Martin Shapiro (Washington, D.C.: Georgetown University Press, 2001), 215–238.

⁶⁸ Judith Innes, *Social Indicators and Public Policy: Interactive Processes of Design and Application* (New York: Elsevier Scientific Publishing Company, 1975).

⁶⁹ Susan Randall, "Insurance Regulation in the United States: Regulatory Federalism and the National Association of Insurance Commissioners," *Florida State University Law Review* 26 (1998): 625; Steven J. Balla, "Interstate Professional Associations and the Diffusion of Policy Innovations," *American Politics Research* 29 (3, 2001): 221–245.

⁷⁰ Hugh Davis Graham, "The Ambiguous Legacy of American Presidential Commissions"; Thomas R. Wolanin, *Presidential Advisory Commissions: Truman To Nixon* (Madison, WI: University of Wisconsin Press, 1975), 43–45.

⁷¹ Chris Ansell and Alison Gash, "Collaborative Governance in Theory and Practice."

⁷² Lyle Nelson, *Lessons from Medicare's Demonstration Projects on Disease Management and Care Coordination* (Washington, DC: Congressional Budget Office, 2012).

credible and useful for taking decisive action.

Reframing issues requires new information about policy problems, but new institutions must do more than simply generate new data. Given that institutions like advisory commissions and demonstration projects have limited authority, they must be able to generate research products that stakeholders and policymakers find indispensable in taking action.⁷³ Indispensable policy knowledge may include reports that suggest an elite consensus on policy. As Stéphane Lavertu and David Weimer show, the Food and Drug Administration is more likely to approve pharmaceuticals and medical devices in a shorter amount of time when its advisory committee reports receive more unanimous approval.⁷⁴ Institutions may also be more successful at reshaping policy debates when the evidence they produce clearly illustrates how policymakers might take action to solve problems, either by producing statistics on social phenomena on which Congress or government agencies could possibly intervene, as Judith Innes suggests, or by providing model legislation that addresses these problems.⁷⁵

While it is important for generative institutions to generate information that can be used, a broad public audience must perceive this information as credible and not too closely linked to one set of end-users.⁷⁶ They must buffer themselves against claims of obvious bias by publishing scientific analyses and policy recommendations in separate reports, delegating evaluation studies to external teams of teams of scientific researchers rather than policymakers, and instituting practices like peer review.⁷⁷ Of course, in areas of policy dominated by less obviously scientific disputes, buffering may mean that organizations or demonstration programs must develop moral authority, demonstrating support for cherished societal beliefs, or legal authority, claiming to protect bedrock constitutional commitments.⁷⁸ In any case, information that can be easily disavowed as the product of vested interest or an ideology not widely shared is unlikely to aid in the reframing of policy debates.

In this study, I show that the Commission on Intergovernmental Relations and the Advisory Commission on Intergovernmental Relations helped to produce relevant and credible information on federal policy failures within intergovernmental programs that policymakers in Congress could take action on, whether in the form of investigations or

⁷³ Judith Innes, *Knowledge and Public Policy: The Search for Meaningful Indicators* (Transaction Publishers, 1990).

⁷⁴ Stéphane Lavertu and David L. Weimer, "Federal Advisory Committees, Policy Expertise, and the Approval of Drugs and Medical Devices at the FDA," *Journal of Public Administration Research and Theory* 21 (2, 2011): 211–237.

⁷⁵ Judith Innes, *Knowledge and Public Policy*; Alexander Hertel-Fernandez, "Who Passes Business's 'Model Bills'? Policy Capacity and Corporate Influence in U.S. State Politics," *Perspectives on Politics* 12 (3, 2014): 582–602.

⁷⁶ Daniel Carpenter, *Reputation and Power: Organizational Image and Pharmaceutical Regulation at the FDA*. (Princeton, NJ: Princeton University Press, 2014).

⁷⁷ Ann C. Keller, "Credibility and Relevance in Environmental Policy: Measuring Strategies and Performance among Science Assessment Organizations," *Journal of Public Administration Research and Theory* 20 (2, 2010): 357–386.

⁷⁸ Daniel Carpenter, *Reputation and Power: Organizational Image and Pharmaceutical Regulation at the FDA*. (Princeton, NJ: Princeton University Press, 2010).

new legislation. These institutions helped to push conservatives' critique of federal programs beyond questions of constitutional legitimacy to management and administration through producing program evaluation studies identifying instances of management, waste, and program perversity. These studies were authored with the help of state and local officials and highly usable by members of Congress. Moreover, I show that these commissions help to improve their reputation for technical expertise by buffering their policy work from their analytical work and engaging a network of high-profile academics in the social sciences.

- Claim 3: *Institutions that allow for organizational brokerage—providing a unique forum for multiple significant stakeholder groups to collectively define problems and solutions—will enable policy entrepreneurs to build reform coalitions.*

Successful policy action in an environment hostile to change requires coalition building.⁷⁹ Yet even when potential coalitions exist, it is often costly for policy entrepreneurs to resolve the coordination and collective action problems that allow multiple stakeholders to pursue common goals.⁸⁰ Generative institutions can set the terms on which groups interact in new ways, changing highly-charged partisan debates into pluralistic or expert-based negotiations. They can do this by allowing actors with heterogeneous preferences to find common ground and press for reform in three specific ways.

First, generative institutions allow for the participation of *multiple* stakeholders, including and especially those that can directly influence policymaking. Successful Medicaid demonstration programs, for instance, have often been designed and carried out with significant stakeholder involvement and support.⁸¹ Alternatively, demonstration programs that exclude key stakeholders—however promising—have become vulnerable to attack.⁸²

Second, generative institutions can give stakeholders meaningful opportunities to *participate in defining problems and identifying policy alternatives*. Meaningful participation means that multiple stakeholders have the opportunity to produce social facts, discover points of mutual agreement, and negotiate solutions on a good-faith basis.⁸³ This kind of rich participation can create the potential stakeholder “buy in” and the production of viable policy alternatives in the long run.

⁷⁹ Eric Schickler, *Disjointed Pluralism: Institutional Innovation and the Development of the U.S. Congress* (Princeton, NJ: Princeton University Press 2001), 14.

⁸⁰ Matt Grossmann, *Artists of the Possible*, 42–45.

⁸¹ Frank Thompson and Courtney Burke, “Executive federalism and Medicaid Demonstration Waivers: Implications for Policy and Democratic Process,” *Journal of Health Politics, Policy and Law* 32 (6, 2007): 97–1004.

⁸² Leslie M. Greenwald, “Converting Successful Medicare Demonstrations into National Programs,” in *Pay for Performance in Health Care: Methods and Approaches*, eds. Jerry Cromwell, Michael G. Trisolini, Gregory C. Pope, Janet B. Mitchell, and Leslie M. Greenwald (Research Triangle Park, NC: RTI Press, 2011): 315.

⁸³ *Ibid.*; See also Barbara Gray, *Collaborating: Finding Common Ground for Multiparty Problems* (San Francisco, CA: Jossey-Bass, 1989).

Third, new institutions can provide *incentives* for stakeholder participation.⁸⁴ Medicare demonstration programs, for instance, often provide monetary inducements to providers who participate.⁸⁵ Alternatively, advisory commissions can offer stakeholders a unique forum for deliberation on a particular issue and a chance to influence high-stakes policymaking.⁸⁶ Especially when stakeholders see a demonstration program or government commission as “the only game in town” for the consideration of a relevant policy question, they will be more likely to participate in deliberation.⁸⁷ By contrast, the existence of numerous peer organizations, by contrast, risks fragmenting stakeholders into multiple, smaller coalitions. Moreover, when groups are dissatisfied with deliberations, the existence of alternative venues allows them to exit.⁸⁸

The intergovernmental commissions in this study illustrate the importance of organizational brokerage for generating coalitions. In Chapter 2, I show that the CIR’s first chairman initially prevented brokerage by ignoring input from state and local officials and that, even under new leadership, the Commission’s limited lifespan precluded made it difficult for stakeholders to identify common points of concern on specific policy issues. Additionally, I leverage an in-case comparison to show that that another institution, Joint Federal-State Action Committee (JFSAC) undercut its ability to create policy coalitions by failing to include key congressional stakeholders in reform.

In Chapters 3 through 5, by contrast, I show how the ACIR became the only site for multi-level policy discussion on issues of intergovernmental relations and included a diverse set of actors and perspectives, including members of Congress. Most importantly, they required participation from multiple stakeholders in identifying policy problems and crafting solutions. In the end, this enabled conservative policy entrepreneurs to build wider coalitions for reform. As the final sections of Chapter 5 show, however, conservatives’ experimentation policy planning institutions outside government allowed stakeholders that had previously depended on the ACIR to rely on a new, more ideologically cohesive set of sites for deliberation on intergovernmental fiscal relations that inflamed tensions between conservatives and state and local interest groups and eroded the ACIR’s ability to build policy coalitions.

- Claim 4: *Institutions that accumulate strategic knowledge over time will allow policy entrepreneurs to develop viable reform alternatives.*

Beyond having the formal legal or technical education necessary to understand central aspects of reform, successful entrepreneurs often have an intimate knowledge of how programs operate, the coalitions that support and oppose existing programs and the reasons why they do, the presence of opportunities for reform, and a sense of the risk and

⁸⁴ For an example, see Tulia Falleti, “Infiltrating the State: The Evolution of Health Care Reforms in Brazil, 1964–1968,” in *Explaining Institutional Change: Ambiguity, Agency, and Powers*, eds. James Mahoney and Kathleen Thelen (New York: Cambridge University Press, 2010), 53–54.

⁸⁵ Paul Grundy, Kay R. Hagan, Jennie Chin Hansen, and Kevin Grumbach, “The Multi-Stakeholder Movement for Primary Care Renewal and Reform,” *Health Affairs* 29 (5, 2010): 791–798.

⁸⁶ Hugh Davis Graham, “The Ambiguous Legacy of American Presidential Commissions.”

⁸⁷ Chris Ansell and Alison Gash, “Collaborative Governance in Theory and Practice.”

⁸⁸ *Ibid.*

rewards associated with investing in individual reform initiatives.⁸⁹ Given the high costs associated with developing this kind of expertise, policy entrepreneurs often find ways of institutionalizing the production of expertise and distributing its costs.⁹⁰ Laura Evans shows, for example, that tribal governments in the United States used incremental increases in federal aid over time to improve their understanding of public policy and better influence the action of federal agencies.⁹¹

There are several ways in which generative institutions allow policy entrepreneurs to acquire the expertise necessary to generate reforms. First, they can allow for the development of *policy specialists* who know an issue area well and can keep policy alternatives on the table.⁹² Permanent commissions often create dedicated professional staff. Alumni of temporary organizations or task forces may build their future careers around the issues studied by those organizations. Demonstration projects may similarly store reams of data for policy analysts to publish studies on, keeping old issues alive. When these specialists produce policy alternatives, policy entrepreneurs may be likely to regard them as a “safer bet” and forego the risk of searching for new issues and opportunities.⁹³

Second, generative institutions can permit specialists to engage in *trial-and-error learning*.⁹⁴ Demonstration project managers can test multiple policy alternatives and promote those most likely to generate desirable policy results and political support. Advisory commissions may interpret available evidence on multiple policy alternatives on a given issue and reject those that do not appear to generate coalitions or desirable outcomes. Long-standing organizations may also be able to collect and analyze information on past policy successes and failures that entrepreneurs can draw on alter. This availability of trial-and-error learning means that policy entrepreneurs have a low-cost means of observing “what works” and “what doesn’t.”

Because generative institutions lower the costs of learning about potential coalitions and the viability of particular reforms, they reduce the uncertainty that partisan actors and interest groups face when selecting among policy alternatives. Both commissions in this study allowed for the creation of strategic knowledge on intergovernmental relations, but in different ways. As Chapter 2 shows, the CIR produced a small group of conservative policy researchers with a superb working knowledge of intergovernmental relations, which they later took to organizations like the Hoover Institution, the U.S. Chamber of Commerce, and the task forces of the Republican

⁸⁹ See, for example, Adam Sheingate, “Political Entrepreneurship, Institutional Change, and American Political Development,” *Studies in American Political Development* 17 (2, 2003): 185–203.

⁹⁰ Kevin M. Esterling, “Buying Expertise: Campaign Contributions and Attention to Policy Analysis in Congressional Committees,” *American Political Science Review* 101 (1, 2007): 93–109.

⁹¹ Laura Evans, *Power from Powerlessness: Tribal Governments, Institutional Niches, and American Federalism* (New York: Oxford University Press, 2011), 6–7.

⁹² Christopher M. Weible, Tanya Heikkila, and Paul A. Sabatier, “Understanding and Influencing the Policy Process,” *Policy Sciences* 45 (1, 2012): 1–21.

⁹³ Laura Evans, *Power from Powerlessness*, 12–13.

⁹⁴ Leslie Pal, “Assessing Incrementalism: Formative Assumptions, Contemporary Realities,” *Policy and Society* 30 (1, 2011): 29–39

National Committee. Yet its short lifespan precluded the creation of viable alternatives in the short term. As Chapters 3 and 4 suggest, by contrast, the ACIR developed a core of policy specialists who had the capacity for in-depth policy research, and became capable of adjusting to new political scenarios, regrouping and expanding its research agenda after new initiatives failed to pass. Though the ACIR's policy specialists were ideologically diverse, the policy ideas they generated enabled conservative researchers, in their advisory roles for task forces of the Republican Coordinating Committee, began to draw on this expertise to shape policy alternatives that became the core of the party's legislative agenda in the 90th Congress and the 1968 Republican Platform. As Chapter 5 shows, by the time these initiatives passed, the Commission possessed a core of policy specialists who could monitor their implementation and submit proposals for fine-tuning reforms and preventing the emergence of policy drift.

- *Claim 5: When new institutions simultaneously possess the capacity for information production, organizational brokerage, and the accumulation of strategic knowledge, policy entrepreneurs will be more capable of creating pressure for major reforms.*

If Claims 1 through 4 are correct, it follows that policy entrepreneurs should, all else equal, be better equipped to create pressure for major reforms. Each function of generative institutions produces a specific outcome that contributes to pressure for policy change. As institutions develop the capacity for new information about policy problems, for example, policymakers gain the capacity to reframe the debates. Similarly, as institutions become a unique site for negotiation between diverse stakeholder groups they will be more likely to generate coalitions. Finally, the accumulation of strategic knowledge allows policy entrepreneurs to craft viable policy alternatives.

Table 1.2. Reinforcement Mechanisms in Generative Institutions

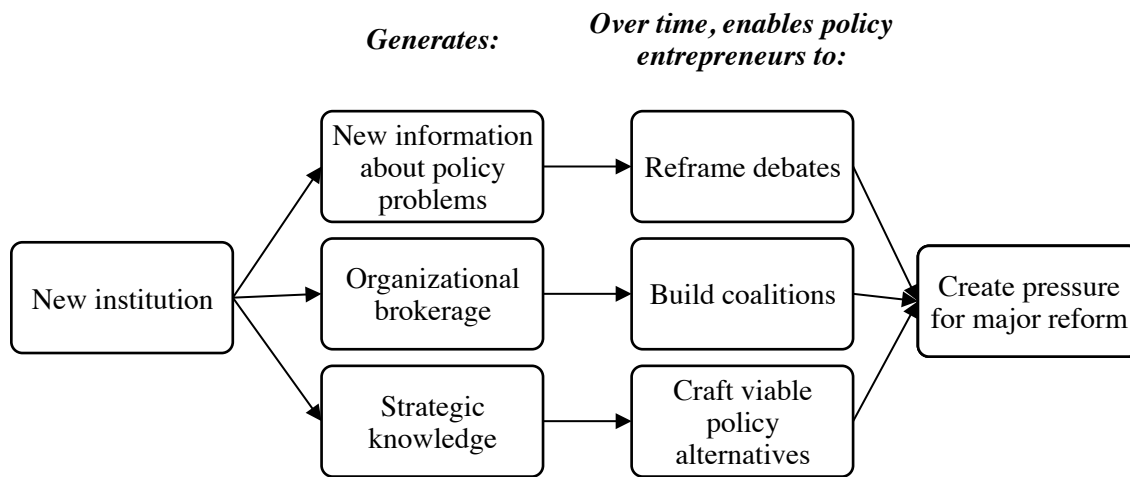
Function	Reinforcing Effects
<i>New information on policy problems</i>	Allows stakeholders to identify opportunities for brokerage; allows policy entrepreneurs to identify opportunities for developing policy alternatives.
<i>Organizational brokerage</i>	Yields information and policy solutions relevant to broader set of stakeholders.
<i>Strategic knowledge about policy alternatives</i>	Illustrates the value of information produced by an institution to policymakers and key stakeholders.

When institutions possess these three functions *simultaneously*, each function reinforces the others, as Table 1.2 suggests. The production of information, for example, can facilitate brokerage and strategic knowledge production by giving stakeholders information that they value and illustrating common interests, hence an incentive to support the institution and new opportunities to work towards common goals. Brokerage,

in turn, ensures that information an institution produces is usable by multiple stakeholders and that policy alternatives it generates are available for coalition building. Finally, by ensuring that an institution’s work has consequences, strategic knowledge production reinforces stakeholders’ beliefs about an institution’s value as a site for policy planning and the broader policymaking community’s beliefs about the usefulness of the institution’s information.

Generative institutions thus provide policy entrepreneurs with one important path to reform (illustrated in Figure 1.1). Yet it is worth emphasizing that their existence is not sufficient to explain the success or failure of major reform policy initiatives. Entrepreneurs facing obstacles to change may benefit from potential coalitions, major elections or crises that open “windows of opportunity” for change. Even when these factors are in place, however, major initiatives may fail without adequate “softening” of opponents through reframing, the mobilization of coalition members around particular reforms, and the production of viable policy alternatives. Early successes for a generative institution, of course, may not appear to be unique policy initiatives attributable to policy entrepreneurs. Rather, they may include pushing opponents onto the defensive and forcing them to embrace reforms they would otherwise actively reject or ignore. Once pushed onto the defensive, opponents should find themselves with fewer options for opposing reform.⁹⁵ When they realize their full potential, however, generative institutions shape the kinds of issues and policy alternatives that come to the fore during moments of opportunity.

Figure 1.1. How Generative Institutions Work



⁹⁵ Daniel Cook and Andrew J. Polsky, “Political Time Reconsidered: Unbuilding and Rebuilding the State Under the Reagan Administration,” *American Politics Research* 33 (4, 2005): 577–605.

III. Identifying Generative Institutions: Case Selection, Data, and Empirical Implications

To analyze how generative institutions shaped federalism reforms, I examine four periods of conservative mobilization on issues of intergovernmental relations, 1947–1957, 1958–1965, 1965–1968, and 1969–1996. Organizing the comparisons chronologically, rather than by specific issues or policy areas, allows us to identify both how intergovernmental commissions emerge and how changes in their capacity for information production, brokerage, and the production of strategic knowledge affect how entrepreneurs bring issues to the legislative agenda, bring coalitions together, and promote specific policy alternatives. I selected periods for analysis for three reasons. First, extending the analysis back to 1947 allows me to rule out the “continuity” hypothesis, which suggests that conservative policy entrepreneurs would have developed the federalism reforms they did in the absence of intergovernmental commissions, as well as the “reaction” hypothesis, which identifies the Great Society as the breakpoint for conservative federalism reforms.

Second, I chose cases that would allow me to leverage the timing of the commissions’ creation and variation in their capacity for generating policy information, brokerage, and the strategic knowledge (see Table 1.3). The first two cases thus extend both before and after the creation of the CIR in 1953 and the ACIR in 1959. The third case (1965–1968) and fourth case (1969–1996) demonstrate the influence of dramatic increases ACIR’s capacity for generating policy information, brokerage, and strategic knowledge on the ability of policy entrepreneurs to generate major reforms through reframing issues, building coalitions, and developing policy alternatives. In the fourth case, I also illustrate the role of the ACIR’s weakening brokerage capacity on fiscal issues.

Within each chapter, I focus on five types of political change that correspond to my argument about generative institutions. First, I focus on policy entrepreneurs’ efforts to create intergovernmental commissions. Second, I evaluate shifts in the framing of debates about federalism issues by political elites inside and outside government. Third, I analyze the emergence of unique conservative federalism reforms onto the policy agenda in Congress. Fourth, I consider the development of new coalitions behind particular reforms. Finally, I examine the character of major reforms that affect intergovernmental relations.

My analysis combines within-case process tracing and between-case comparisons to gain leverage on the argument that intergovernmental commissions helped to generate changes in the environment for reform.⁹⁶ Within each period, I examine how activity by commissions allowed for reframing, coalition building, and the creation of policy alternatives. I also consider examples of institutions that attempted, but failed, to reconfigure the politics of federalism. In the concluding chapter, I also compare each case to evaluate the relationship between the commissions’ evolving capacity for information,

⁹⁶ Alan Jacobs, “Process Tracing the Effects of Ideas,” in *Process Tracing*, eds. Andrew Bennett and Jeff Checkel (New York: Cambridge University Press, 2014), 41–73.

brokerage, and the accumulation of strategic knowledge and the reframing of issues, coalition building, formation of policy alternatives, and the crafting of major reforms.

Table 1.3. Variation Across Cases

	<i>Information Production Capacity</i>	<i>Brokerage Capacity</i>	<i>Strategic Knowledge Capacity</i>	<i>Expected Outcomes</i>
1947–1957	Low/Medium	Low	Low	R
1958–1965	High	High	Medium	R; C; A
1965–1968	High	High	High	R; C; A; M
1969–1996	High	High/Low	High	R; C; A; M

Note: R=Reframing; C=Coalition Building; A=Policy Alternatives; M=Major Reform

To find evidence of generative institutions at work, I have relied on a variety of sources. First, to investigate the creation of intergovernmental commissions, I used congressional hearings, floor speeches, bill introductions, and combination of secondary sources and archival material. Second, to examine the effect of information produced by commissions on the framing of policy debates, I used official commission archives and personal papers of commission staff, in addition to newspaper coverage of relevant issues. Third, to explore the link between strategic knowledge and the development of policy alternatives, I used a combination of quantitative data on bill introductions and issue attention, and qualitative evidence from the papers of policy entrepreneurs and commission staff. Fourth, to investigate relationship between organizational brokerage and the formation of coalitions, I used commission archives, as well as public statements on policy by relevant interest groups.

The criteria I use to assess evidence on generative institutions in this study are as follows:

- *Policy Entrepreneurs and Intergovernmental Commissions:* Given that my argument focuses on conservative policy entrepreneurs, these actors should be primary movers involved in creating the intergovernmental commissions I identify. While other groups or actors may become important to creating or sustaining these commissions, it should be difficult to explain their emergence on the agenda without the effort of conservative policy entrepreneurs.
- *Information on Policy Problems and Reframing:* Commissions possess capacity for information production when they have research products that are perceived as useful and credible by numerous policymakers and elites, as revealed by public statements and private sentiments. When commissions introduce information that is relevant and credible, it should be widely disseminated, used, and acknowledged for its analytical value. As a result of this information, policymakers should increase their focus on issues of administrative problems associated with intergovernmental relations. Conservative policy entrepreneurs in my study should also begin to gradually replace constitutional arguments with arguments focused on policy and administration.

Finally, new information produced by intergovernmental commissions should be cited in debates within legislative and executive institutions, as well as in the mainstream press.

- *Brokerage and Coalitions*: Brokerage capacity exists when intergovernmental commissions allow for the membership of multiple major stakeholders who would not have otherwise acted collectively, give those stakeholders meaningful opportunities to participate in defining problems and identifying solutions, and provide strong participatory incentives. At a minimum, brokerage is indicated by a high level of participation and negotiation between stakeholders during commission deliberations and evidence that commissions are unique sites for these stakeholders to debate issues of intergovernmental relations. While the potential for coalitions may exist in the absence of commission activities, coalition support for specific policy alternatives should emerge only *after* commissions develop brokerage capacity, not before. Moreover, after the creation of commissions, it should be possible to see conservative policy entrepreneurs adjusting their policy alternatives to gain support from coalition partners.
- *Strategic Knowledge and Policy Alternatives*: Capacity for strategic knowledge exists when intergovernmental commissions possess a team of policy specialists that can develop specific proposals for reform that take into account relevant technical and political factors. Conservative policy entrepreneurs should find studies useful in constructing alternatives. Policy entrepreneurs' proposals should also cite and be consistent with information generated by new institutions. As commissions produce new recommendations, conservative entrepreneurs should respond by introducing policy alternatives that mirror commission proposals.

I used these criteria to weigh the merits of the secondary and archival material I collected. In Chapter 6, I return to these criteria to evaluate how well this evidence matches the argument about generative institutions. The next four chapters, by contrast, unfold as chronological narratives. Each begins with a brief description of the status quo conservatives faced with respect to federalism reform; the first two chapters also illustrate how intergovernmental commissions were created. Next, each chapter assesses the extent to which commissions acted as generative institutions in the period examined. Finally, each details the framing of federalism issues, the creation of coalitions, and the development of policy alternatives, illustrating the influence of commissions on reforms that reorganized the activist state.

Chapter Two

Laying the Groundwork for Change: Conservatives and the Commission on Intergovernmental Relations, 1947–1957

The trend toward the centralization of power in America...is a trend toward the death of human freedom... Every advocate of communism is also an advocate of concentration in government. It is the power play the Communists used successfully in 14 countries to subjugate 600 million people since the end of World War Two.

Clarence Manion (1954)¹

The National Government and the States should be regarded not as competitors for authority but as two levels of government cooperating with or complementing each other in meeting the growing demands on both.

U.S. Commission on Intergovernmental Relations (1955)²

For the New Deal's adversaries, 1953 looked like the beginning of a "golden opportunity."³ With Republican victories in Congress and the election of Dwight D. Eisenhower as President, conservatives inside and outside the party ranks hoped to launch a sustained retrenchment of a burgeoning administrative state.⁴ Richard L. Bowditch, then president of the United States Chamber of Commerce, was no exception. As he put it in a 1953 speech to over 400 businessmen, congressional Republicans, and state legislators: the continuance of the New Deal trend towards federal dominance would result in a calamity of epic proportions for American democracy and would move the

¹ Quoted in Hal Foust, "Manion Warns of Too Great Federal Power," *Chicago Daily Tribune*, Mar 4, 1954, 13.

² The Commission on Intergovernmental Relations, *A Report to the President for Transmittal to the Congress* (Washington, D.C.: GPO, 1955), 2.

³ Barry Goldwater, Oral History Interview, June 15, 1967, Columbia Oral History Project, OH-21, DDEL.

⁴ This sentiment is captured in a number of histories of conservatism in the 1950s. See Niels Bjerre-Poulsen, *Right Face: Organizing the American Conservative Movement 1945–65* (Copenhagen: Museum Tusulanum Press, 2002); James T. Patterson, *Mr. Republican: A Biography of Robert A. Taft* (New York: Houghton Mifflin Harcourt, 1972); Richard M. Fried, *Nightmare in Red: The McCarthy Era in Perspective* (New York: Oxford University Press, 1991); Herbert S. Parmet, *Eisenhower and the American Crusades* (New Brunswick, NJ: Transaction Publishers, 1972); Daniel Bell, ed., *The Radical Right: The New American Right* (Garden City, NY: Doubleday, 1963); Michael Paul Rogin, *The Intellectuals and McCarthy: The Radical Specter* (Cambridge, MA: Harvard University Press, 1967); Daniel J. Galvin, *Presidential Party-Building: Dwight D. Eisenhower to George W. Bush* (Princeton, NJ: Princeton University Press, 2010), 41–69; J. Richard Piper, *Ideologies and Institutions: American Conservative and Liberal Governance Prescriptions Since 1945* (Lanham, MD: Rowman and Littlefield, 1997); Sarah Diamond, *Roads to Dominion: Right-Wing Movements and Political Power in the United States* (New York: Guilford Press, 1995).

nation to a “point of no return to constitutional principles.” Concluding his speech, Bowditch called for a task force to study how the trend might be reversed, and—to heighten the gravity—emphasized that its work would be at least as important as the Founding, which he referred to as “the first successful American conference on federal–state relations.”⁵

Bowditch was riding the crest of a wave. By the early 1950s, the growth of the federal government had become a central matter of concern for economic conservatives at the Chamber and Southern supporters of racial segregation.⁶ Yet, as this chapter shows, efforts to “roll back” the New Deal faced unfriendly federal courts and a hostile terrain of professional associations, philanthropies, and government officials at the federal and state level.⁷ Beginning in the 80th Congress, conservative policy entrepreneurs like Senator John Bricker (R–OH) began experimenting with solutions to this problem and slowly built legislative support among former state and local officials serving in Congress for a new Commission on Intergovernmental Relations (CIR). Yet whereas conservatives hoped that the CIR would expose the constitutional illegitimacy of New Deal programs, state and local officials supported its creation because they believed the Commission could highlight the need for additional sources of revenue that would allow state and local governments to carry out their policy goals. As a result of this coalition, the CIR’s mandate for studying intergovernmental relations combined conservatives’ charge to develop a new principle for delimiting the exercise of federal authority with state and local governments’ concerns with concrete fiscal and administrative issues.⁸

As the second section shows, the coalition between conservatives and state and local officials that created the CIR hardly signaled agreement on policy. Conservatives initially held strong to their constitutional critique of federal policy activity. The Commission’s first Chairman, Clarence Manion, nearly sank its prospects by using his position as a soapbox for states’ rights rather than a force for reform. Manion’s eventual ouster for this behavior thus allows us to leverage a within-case comparison to evaluate the effects of information generation and organizational brokerage on the reframing of debates and the creation of new coalitions. This is because his replacement, Meyer Kestnbaum, was a political moderate who used the Commission’s authority to generate new and relevant policy information and to act as a broker between state and local officials and the numerous conservative study committees Manion had appointed. The third section illustrates how, under Kestnbaum’s leadership, the Commission sidelined

⁵ *Chicago Daily Tribune* “Sees Federal Power a Peril to Self Rule,” June 11, 1953, 10.

⁶ The Chamber’s activation on issues of federalism is captured in Mark A. Smith, *American Business and Political Power: Public Opinion, Elections, and Democracy* (Chicago: Chicago University Press, 2000), 37–62.

⁷ See, for example, Richard M. Flanagan, “Roosevelt, Mayors and the New Deal Regime: The Origins of Intergovernmental Lobbying and Administration,” *Polity* 31 (3, 1999): 415–450; Jennifer M. Jensen and Jenna Kelkres Emery, “The First State Lobbyists: State Offices in Washington During World War II,” *Journal of Policy History* 23 (2, 2011): 117–149.

⁸ Stephen Skowronek, “An Attenuated Reconstruction: The Conservative Turn in American Political Development,” in *Conservatism and American Political Development*, Brian J. Glenn and Steven M. Teles, eds. (New York: Oxford University Press, 2009), 348–363.

explicit racial and economic ideologies and constitutional frames by brokering ties to state and local officials and integrating new information about problems that affected both the New Deal's ideological opponents and its institutional adversaries in state and local governments.

The result of the CIR's final report, as the final section shows, was the reframing of congressional debates about the federal government's role, represented by numerous new hearings and congressional studies. The Commission's short life span made it difficult to sustain energy for reform in the short term, yet it did provide for the creation of a new coalition for reforming intergovernmental relations, one that mobilized state and local officials as well as conservatives. Additionally, policy entrepreneurs on the Commission's began to slowly accumulate the knowledge they would use for the production of viable policy alternatives in the 1960s. Indeed, the gains made by conservatives on the CIR appeared gradually rather than all at once.

I. Putting Intergovernmental Relations on the Agenda, 1947–1953

The creation of the Commission on Intergovernmental Relations represented nearly a decade's worth of work by conservative policy entrepreneurs to raise the public profile of what they referred to as the "autocratic" New Deal bureaucracy.⁹ Pivotal to its creation were Midwesterners like John Bricker (R–OH). While campaigning for the presidential nomination in 1944, Bricker—then the governor of Ohio—made signature issues out of "the revitalization of state and local governments" and "keeping government at home." Facing an unfriendly judiciary and mobilized interest groups that opposed these moves, Bricker urged that a study commission be created in Congress so that citizens "could find out whether their state governments were merely an expensive archaic manifestation of a bygone day and should be dissolved, though heaven forbid such was the case."¹⁰ As this section shows, Bricker and others built support for the new body by publicizing the failings of the New Deal bureaucracy during the 80th Congress and making key alliances with state and local officials to keep the issue of the Commission on the agenda throughout the 81st and 82nd Congresses. These moves expanded the Commission's agenda to focus on issues of concern to states, rather than simply criticizing federal programs as unconstitutional. When Republicans regained Congress and the Presidency in 1953, however, they dramatically expanded the scope of the Commission's size and powers beyond what these earlier coalitions had permitted.

The Challenge of Entrenchment

If Bricker's campaign rhetoric signaled that he was paying attention to the dilemmas of centralized governance under the New Deal, he was also aware of two major barriers to

⁹ In general, see Duane Tananbaum, *The Bricker Amendment Controversy* (Ithaca, NY: Cornell University Press, 1988); Jonathan Bell, *The Liberal State on Trial: The Cold War and American Politics in the Truman Years* (New York: Columbia University Press, 2004); Pemberton, William E. "Struggle for the New Deal: Truman and the Hoover Commission." *Presidential Studies Quarterly* (1986): 511-527.

¹⁰ Duane Tananbaum, *The Bricker Amendment Controversy*, 76.

reversing course. First, federal courts—once friendly venues for conservatives—now overwhelmingly disagreed with their claim that the federal government’s expansion had undermined the constitutional foundations of American federalism.¹¹ Increasingly, courts abandoned cabined interpretations of federal authority that had given status to the Tenth Amendment’s reservation of powers to the “states and the people.” *Helvering v. Davis* (1937) opened the floodgates for federal social policy under the “general welfare” clause by insisting that courts defer to Congress’s judgment about whether or not social needs were “general or particular.”¹² Similarly, *Wickard v. Filburn* (1942), the Supreme Court had set a precedent for judicial deference to congressional interpretation of whether local economic activity had a “significant effect” on interstate commerce.¹³ By 1954, legal scholar Herbert Wechsler summarized these claims by arguing that the design of Congress acted as a “political safeguard” for federalism. Since its members were elected by the people of the states, “local sensitivity to federal intervention” could not fail to “find reflection in the Congress.”¹⁴ Conservatives, for instance, could stir up localist fervor by taking federalism out of the courtroom and directly into political debates.

Proving Wechsler’s proposition to be true, Bricker had gained popularity with party regulars and business leaders for his reorganization of Ohio’s state government during his term as governor. As a hopeful for the party’s nomination in 1944, Bricker ran on the slogan that “we have freed the world from autocracy then we will free the U.S. from needless and costly bureaucracy.”¹⁵ Yet it was in these attempts to move federalism back into the electoral arena that Bricker and others ran into a second challenge: interest-group opposition. As his personal papers reveal, mobilized organizations, including labor unions, professional associations, and organizations composed of local and state officials, campaigned against efforts to gut popular redistributive measures. When Bricker announced opposition to vocational-education programs in 1954, constituents organized by these groups fired back with petitions and a letter-writing effort opposing the decision. As one put it: “when you realize the billions of dollars that are being spent by our country to boost the economy of foreign countries, it would seem silly to me that Congress would hesitate one minute to support vocational education in the United States.”¹⁶ As far as Bricker’s papers for 1954 show, all but one of the letters Bricker received on the subject

¹¹ Christopher P. Banks and John C. Blakeman, *The U.S. Supreme Court and New Federalism: From the Rehnquist to the Roberts Court* (Lanham, MD: Rowman and Littlefield, 2012), 44–50; Neil Duxbury, *Patterns of American Jurisprudence* (New York: Oxford University Press, 1997), 150; Kermit Hall, *The Magic Mirror: Law in American History* (New York: Oxford University Press, 2008), 271–276; Key cases in this doctrinal shift also include *Steward Machine Company v. Davis* 301 U.S. 548 (1937), *United States v. Darby* 312 U.S. 100 (1941), and *Palko v. Connecticut* 302 U.S. 319 (1937).

¹² *Helvering v. Davis* 301 U.S. 619 (1937).

¹³ *Wickard v. Filburn* 317 U.S. 111 (1942).

¹⁴ Herbert Wechsler, “The Political Safeguards of Federalism: The Rôle of the States in the Composition and Selection of the National Government,” *Columbia Law Review* 54 (4, 1954): 547.

¹⁵ Duane Tananbaum, *The Bricker Amendment Controversy*, 21; See also John Bricker, Oral History Interview, January 18, 1968, Columbia University Oral History Project, OH–110, DDEL.

¹⁶ R.O. Knight to John W. Bricker, May 25, 1954, Box 103, Folder: Health Education and Welfare, John W. Bricker Papers, OHS.

of federal aid to education voiced support for increased federal spending.¹⁷ Even members of Bricker's electoral base fell in line behind New Deal programs. As one put it: "I am opposed to State Aid programs, but I am heartily in favor of any reasonable assistance...that prepares young men and women for definite and objective places in our economy."¹⁸ Similarly, in debates over the 1954 Housing Act, well over half of the letters Bricker received supported the underlying idea of federal intervention into the housing market.¹⁹

The cool response likely came as no surprise to Bricker. Organized labor's capacity to defend the New Deal in the electoral arena made it a prime target for conservatives during the Republican resurgence during the 80th Congress. The result was the Taft-Hartley Act of 1947, which, in addition to restricting labor strikes, enacted a permanent ban on direct campaign spending by unions allowed state governments to outlaw closed union shops.²⁰ Yet even this landmark piece of legislation did not solve the problem of mobilized opposition to conservative policy initiatives. First, as David Plotke shows, Taft-Hartley did not lead to an immediate reduction in unionization and labor retained recently gained rights to organize unions.²¹ And after Taft-Hartley, employers would find it difficult to "claim a compelling need for a new round of legislation to constrain unions."²² Second, Taft-Hartley did little to solve the problem of professional associations whose members implemented and supported New Deal policies. Members of Congress who announced opposition to programs supported by organizations like American Public Welfare Association, the National Conference of Social Work, the American Public Health Association, or the National Association of Soil Conservation Districts could expect to hear from them, and the individual voters they became skilled at mobilizing.²³ In short, if conservatives hoped to retrench, or even reform, the liberal state, they would need to mobilize new constituencies.

In retrospect, state and local officials may seem like ideal partners for conservatives. But they were anything but a sure bet at the time. Their own policy goals differed from those of conservatives. Elected officials preferred the continued flow of federal grants-in-aid into the states but complained about administrative restrictions on use and "the tendency for federal officials to deal directly with the state agency involved" by-passing the governor's office.²⁴ By contrast, conservatives meant to *eliminate* federal-

¹⁷ Box 103, Folder: Health Education and Welfare, John W. Bricker Papers, OHS; Box 102, Folder: Federal Aid to Education, John W. Bricker Papers, OHS.

¹⁸ French Jenkins to John W. Bricker, May 25, 1954, Box 102, Folder: Federal Aid to Education, John W. Bricker Papers, OHS.

¹⁹ Box 103, Folder: Housing, John W. Bricker Papers, OHS.

²⁰ Jonathan Bell, *The Liberal State on Trial*, 46–84.

²¹ David Plotke, *Building a Democratic Political Order: Reshaping American Liberalism in the 1930s and 1940s* (New York: Cambridge University Press, 1996), 257.

²² *Ibid.*, 258.

²³ Jennifer Middelstadt, *From Welfare to Workfare: The Unintended Consequences of Liberal Reform* (Durham, NC: University of North Carolina Press, 2005), 21–22.

²⁴ William Anderson, *The States and the Nation, Rivals or Partners?* (Minneapolis, MN: The University of Minnesota Press, 1957), 6.

state programs altogether. As Clement Johnston—President of the U.S. Chamber of Commerce—put it in 1954, federal aid:

carries with it the transfer of a considerable amount of control from the state or local government to the federal government as a condition of eligibility for such grant...The National Chamber is greatly concerned with the various trends toward centralization of government through direct legislation and through controls incidental to the administration of grants-in-aid. It is our position that it is unsound to have the federal government assume responsibilities that are essentially state and local.²⁵

Moreover, state elected officials had *internal* disputes, which made them difficult to mobilize as a group. Between 1943 and 1949, the Governors' Conference adopted six resolutions arguing for the return of employment service and unemployment compensation programs to state control and four resolutions complaining that higher federal tax rates constrained states' own revenue bases.²⁶ Even so, their differences prevented effective action. While governors like Thomas Dewey (R–NY) and Alfred Driscoll (R–NJ) managed wealthy states that could reasonably take over federal programs, governors in impoverished states like Chauncey Sparks (D–AL) or Melvin Thompson (D–GA) could not, while others like Earl Warren (R–CA) simply disagreed with the idea on the principle, arguing that many voters in his state would not agree that these programs should be “the thing to give up.”²⁷ For conservatives, finding common cause with such a diverse set of actors and sustaining a challenge to grant-in-aid programs would depend on fomenting greater hostility towards the New Deal bureaucracy.

Discrediting New Deal Bureaucracy, 1947–1949

The Republican takeover of Congress in 1947 gave Bricker's proposal steam by placing public fears of the administrative state at the center of their campaign. In a vitriolic midterm, Bricker's party had pledged to reduce the “cost, size, and scope of the federal

²⁵ Clement Johnston to Franklin Murphy, July 30, 1954, Folder: Federal Aid to Health (Questionnaire) B–N, Nat'l Associations, Box 24, U.S. Commission on Intergovernmental Relations, Dwight D. Eisenhower Library.

²⁶ NGC, *Proceedings of the Governors' Conference*, Columbus OH, June 20–23 (Chicago: NGC, 1943); NGC, *Proceedings*, Hershey, PA, May 28–31, 1944, (Chicago: NGC, 1944); NGC, *Proceedings*, Mackinac Island, MI, July 1–4, 1945 (Washington, DC: NGC 1945); NGC, *Proceedings*, Oklahoma City, OK, May 26–29, 1946 (Chicago: The Governors' Conference, 1946); NGC, *Proceedings*, Salt Lake City, UT, July 14–17, 1947 (Chicago: NGC, 1947); NGC, *Proceedings*, Portsmouth, NH, June 13–16, 1948 (Chicago: NGC, 1948); NGC, *Proceedings*, Colorado Springs, CO, June 19–22, 1949 (Chicago: NGC, 1949).

²⁷ NGC, *Proceedings*, 1949, 114. The same kinds of disputes short-circuited the work of a Joint Conference on Federal–State Relations convened by the Council of State Governments in 1947, which proposed that states agree to relinquish federal grants-in-aid in exchange for a larger share of federal tax revenue. The Governors' Conference never adopted the Joint Conference's resolutions and failed to pressure Congress to do the same. Conservatives in Congress took this as an opportunity for action.

government,” and was determined to use their newfound electoral support to roll back the authority of administrative agencies created during the New Deal.²⁸ Yet rather than investing extensive energy into what might at most result in a potentially narrow demolition of individual agencies, Republicans actively attempted to neutralize their opponents. In addition to expanding the scope of congressional investigation into the executive branch, conservatives crafted a Commission on Organization of the Executive Branch of Government, chaired by former President Herbert Hoover, to determine which programs and agencies were “not necessary to the conduct of government.”²⁹

The so-called “Hoover Commission” was clearly a conservative policy innovation, but deliberately repurposed a strategy used in the Roosevelt and Truman administrations to reduce the “purely partisan congressional treatment” of presidential reorganization proposals by employing well-regarded and ostensibly “apolitical” experts to identify policy problems and advertise solutions.³⁰ As Chairman, Hoover focused on creating an “unimpeachable” image for the Commission in the press and downplaying the fact that its members and expert staff were almost entirely opposed to New Deal programs.³¹ To ensure public consumption of reports that tarred “administrative absolutism,” Hoover demanded that the Commission’s task forces produce digestible reports, brief enough to fit on the front page of the *New York Times*. Hoover also managed the creation of a “Citizen’s Committee” for the Commission’s report, which created an advertising campaign for the commission’s recommendations, and in turn created hundreds of state and local organizations (“Hooverizers”) that mobilized public support for the report, clogging the mailboxes of Congress and the White House with tens of thousands of letters of support for the crusade against bureaucracy.³² By 1949, the Commission had revealed to Bricker the importance of informing voters, who he claimed were “unaware of the constant wearing away of their individual liberties through the outreach and expansion of a bureaucratic government hearing Washington.”³³

Among the subjects that the Hoover’s organization had delivered recommendations on was “Federal–State Relations,” advancing conservatives’ position that federal taxation made it difficult for State and local governments to secure their own revenue.³⁴ Yet, in contrast to other reports produced by the Commission’s other task forces, the group produced no specific policy recommendations. Rather, its 1949 report recommended the creation of “a continuing agency” with primary responsibility for “study, information, and guidance in the field of Federal–State Relations.”³⁵ As Figure

²⁸ Joanna Grisinger, *The Unwieldy American State: Administrative Politics Since the New Deal* (New York: Cambridge University Press, 2012), 153.

²⁹ P.L. 162, Section 1, 62 Stat. 246 (1947).

³⁰ Alasdair Roberts, “The Brownlow–Brookings Feud: The Politics of Dissent Within the Academic Community,” *Journal of Policy History* 7 (3, 1995): 311–340.

³¹ Joanna Grisinger, *The Unwieldy American State*, 157.

³² *Ibid.*, 184–185.

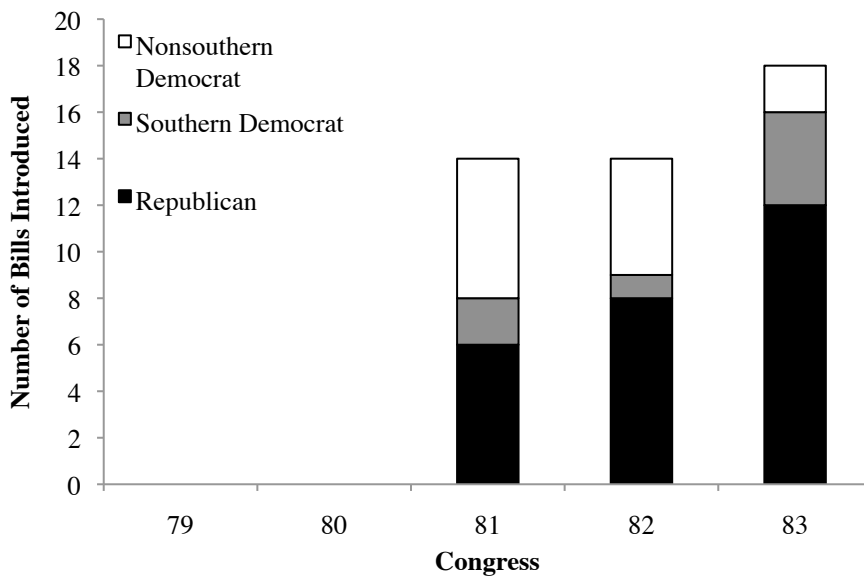
³³ U.S. Congress, Joint Hearings Before the Intergovernmental Relations Subcommittees of the Committee on Expenditures in Executive Departments, 81st Cong., 1st sess., May 9–13, 1949, 103.

³⁴ Commission on Organization of the Executive Branch of Government, *Overseas Administration–Federal-State Relations–Federal Research*, Task Force Report #19 (Washington, DC: GPO, 1949).

³⁵ *Ibid.*, 36.

2.1 shows, this recommendation, coupled with support from state and local officials from both parties, set off a wave of legislation between 81st and the 83rd Congresses. Yet despite state and local officials' support, conservative Republicans were essential to sustaining the initiative over time. Relying on the Hoover Commission's impeccable public reputation, Bricker introduced a proposal to establish a bipartisan "National Commission on Intergovernmental Relations" in February of 1949 and repeated advertised his measure as a response to the Hoover Commission's guidance.³⁶ By 1952, the Bricker's party had made the creation of a new intergovernmental commission part of its declaration of principles.³⁷ By contrast, while Democrats could be pressured by state and local officials to support the organization, they made no such formal policy commitments, either in party platforms or otherwise.

Figure 2.1. Bills Introduced Proposing a Commission on Intergovernmental Relations, 1945–1954



Note: For a complete listing of the bills and their sponsors, see Appendix Table A1.

Building Support for a Commission, 1949–1952

Since Democrats had retaken control of Congress in the 1948 elections, Bricker found he needed to generate a larger coalition for reform. In 1948, Bricker traveled to Detroit to attend a Council of State Governments seminar on the question “Are We Maintaining Our Federal System?” When he started to analyze the question, he later recalled,

I was amazed, although I had been experienced in local government operation for some time, to find what tremendous changes had taken place in the last quarter of a century in Federal and State relationships, to the detriment of the States’

³⁶ S. 767, 81st Cong. (1949).

³⁷ *Congressional Record*, 83rd Cong., 1st sess., 6091.

position and to the enhancement of the power of the Federal Government... We have seen the highway program, we have seen the welfare program, which carried along with a supervisory authority on the part of the Federal Government. They sent their inspectors into the States, and told the States what kind of civil-service laws they had to pass if they were to get the money... It is a serious situation when the Government can do that.³⁸

State and local officials did not share Bricker's preferred policy solutions or even his reasons for creating an intergovernmental commission, yet they proved to be able coalition partners nonetheless. In 1949, Bricker sought out a former governor, Senator Herbert O'Connor (D-MD), who co-sponsored his initiative and sought out support from other state and local officials, who pressured members of the Democratic majority (S. 767).³⁹ In a separate bill (S.J.R. 41), O'Connor had advocated for a Commission that could improve the "planning and coordination" of federal and state taxation to increase state revenues and spending, rather than eliminating New Deal programs.⁴⁰ Bricker's new bill differed in several key respects from O'Connor's that evince his intention of using the new organization to discredit New Deal programs. First, while O'Connor provided no rationale for the legislation, Bricker's contained an extensive "findings of fact" section citing the "increasing number of governmental functions" that were "unforeseen at the time of the establishment of the Federal system of government."⁴¹

Second, Bricker's proposal for a twelve-person body insisted that it be the product of "cooperative" relationships between federal and state officials. As such, he constrained the President's appointments by requiring representation from state and local officials that that six of eight presidential appointees be state and local officials recommended by national organizations like the American Municipal Association, the Council of State Governments, and the U.S. Conference of Mayors. O'Connor's ten-person commission, by contrast, was also bipartisan, but only a minority of four members were to be state and local officials, with the majority being from Congress and the executive branch departments.⁴²

Most importantly, Bricker's proposal gave the Commission a stronger mandate to investigate executive branch agencies and prescribe recommendations for the restructuring of New Deal programs. Unlike O'Connor's bill, Bricker "directed and authorized" agencies to furnish information requested by the commission with information. Moreover, whereas O'Connor narrowly focused the commission's studies on issues of concern to the Governors' Conference, namely "tax overlapping", Bricker included no such demands. Instead, he requested an historical study of "the past and present allocation of government functions and powers" and requiring the commission to

³⁸ U.S. Congress, Joint Hearings Before the Intergovernmental Relations Subcommittees of the Committee on Expenditures in Executive Departments, 81st Cong., 1st sess., May 9–13, 1949, 104.

³⁹ Bricker's approach is recalled in W. Brooke Graves, "Maze of Governments," *National Civic Review* 49 (5, 1960): 230–237.

⁴⁰ S.J.R. 41, 81st Cong. (1949).

⁴¹ S. 767 81st Cong. (1949).

⁴² S. 767 81st Cong. (1949); S.J.R. 41, 81st Cong. (1949).

recommend the “most desirable future allocation” of governmental functions and powers among the National, state, and local governments.”⁴³

Soon, nearly identical bills appeared with small amendments that appealed to new constituencies. Senator Robert Hendrickson (R–NJ) introduced a measure identical to Bricker’s but which folded in a recommendation that the commission examine issues of tax overlapping as well as how to improve the federal grant-in-aid system with an eye towards “efficiency” and “economy.”⁴⁴ Hendrickson’s bill netted co-sponsorship from six Republicans and O’Conor.⁴⁵ In May, recently established House and Senate Subcommittees on Intergovernmental Relations held hearings to consider these proposals.⁴⁶ As Table 2.1 shows, 11 state and local officials and 4 Republican members of Congress dominated testimony at the 1949 hearings. By contrast, only one Democrat testified in favor of the legislation. Representing the National Association of County Officials (NACO), Stanley Martin urged the passage of Hendrickson’s legislation, suggesting that “there has been in recent years very substantial transfer of powers from counties...to the States and the Nation.”⁴⁷

**Table 2.1. Witnesses at Hearings on
Creating Intergovernmental Relations Commissions, 1949 and 1953**

<i>Number (%) of Witnesses</i>	<i>1949</i>	<i>1953</i>	<i>Total</i>
Republican MCs	4 (17%)	12 (63%)	16 (37%)
State Officials	6 (25%)	0 (0%)	9 (21%)
Local Officials	5 (20%)	3 (16%)	8 (19%)
Chamber of Commerce or NAM	2 (8%)	4 (21%)	6 (14%)
Federal Exec. Branch Officials	3 (13%)	0 (0%)	3 (7%)
Professors	3 (8%)	0 (0%)	4 (9%)
Democratic MCs	1 (4%)	0 (0%)	1 (2%)
Journalists	1 (4%)	0 (0%)	1 (2%)
Total Witnesses	24	19	43

Sources: Coded by author from U.S. Congress, Joint Hearings Before the Intergovernmental Relations Subcommittees of the Committee on Expenditures in Executive Departments, National Commission on Intergovernmental Relations, 81st Cong., 1st sess., May 9–13, 1949; U.S. Congress, House of Representatives, Committee on Government Operations, Subcommittee on Intergovernmental Relations, Hearings on the Commission on Intergovernmental Relations and Commission on Executive Branch of Government, 83rd Cong., 1st sess., May 12–15, 1953; U.S. Congress, House of Representatives, Committee on Government Operations, Subcommittee on Intergovernmental Relations, Hearings on the Commission on Intergovernmental Relations and Commission on Executive Branch of Government, 83rd Cong., 1st sess., 217–218.

⁴³ Ibid.

⁴⁴ S. 810 81st Cong. (1949); *Congressional Record*, 81st Cong., 1st sess., A1770–A1771.

⁴⁵ S. 810 81st Cong. (1949).

⁴⁶ U.S. Congress, Joint Hearings Before the Intergovernmental Relations Subcommittees of the Committee on Expenditures in Executive Departments, National Commission on Intergovernmental Relations, 81st Cong., 1st sess., May 9–13, 1949.

⁴⁷ Ibid., 80.

Bricker too recognized the limits of an argument focused on constitutional concerns alone. As Table 2.2 shows, this constitutional rationale was often accompanied with new concerns about waste, inefficiency, and duplication of efforts. Testifying in support of his bill Bricker maintained a constitutional rationale, arguing that members of Congress “have a responsibility” for refusing to pass laws that “we in our own mind” believe not to be constitutional.⁴⁸ Yet he also offered a broader appeal to potential supporters that a vote for the commission was a vote for an exercise of Congress’s institutional powers, suggesting that:

I am not precluding any judgment at all on this. I am not closing my mind on the thing. It might be that authority should be lodged here at Washington. It might be that the States have become outmoded. That the Congress should know, and we can only determine it upon a factual basis. It should not be done by usurpation or by neglect on the part of the Congress.⁴⁹

Table 2.2. Reasons Given by Witnesses for Supporting Commission

<i>Number (%) of witnesses mentioning...</i>	<i>1949</i>	<i>1953</i>	<i>Total</i>
Inefficiency or waste	8 (33%)	16 (84%)	26 (60%)
Duplication of functions	10 (42%)	12 (63%)	24 (56%)
General constitutional concerns	10 (42%)	11 (58%)	23 (53%)
Federal control on grants-in-aid	8 (33%)	4 (21%)	12 (28%)
Intergovernmental relationships are complex, difficult to understand	3 (13%)	9 (47%)	12 (28%)
Specific mention of states’ rights	4 (17%)	3 (16%)	8 (19%)
Weak state revenue	2 (8%)	2 (10%)	4 (9%)
Total witnesses (N)	24	19	43

Source: See Table 2.1.

Liberal senators did not necessarily buy this argument. During the hearings, liberal Senators Glen Taylor (D-ID) and Hubert Humphrey (D-MN) sharply criticized witnesses for offering “blanket charges” against federal agencies without the evidence to back it up.⁵⁰ Humphrey had even offered evidence about the benefits his home state’s legislature and governor found in federal agriculture programs.⁵¹ Yet, sensing support for a commission among state and local officials, they offered substitute legislation after the hearings had concluded.⁵² Unlike the Bricker or O’Connor bills, however, their proposed commissions included only seven members, all of whom were to be members of

⁴⁸ *Ibid.*, 106.

⁴⁹ *Ibid.*

⁵⁰ *Ibid.*, 88.

⁵¹ *Ibid.*

⁵² S. 1946, 81st Cong. (1949); S. 3147, 81st Cong. (1950).

Congress appointed by the President. Republican Senators Robert Hendrickson (R–NJ) and Andrew Schoeppel (R–KS) blocked the Senate from consideration Humphrey’s bill (S. 3147) when it reached the floor in late 1950.⁵³

The 1949 hearings bolstered conservatives’ interest in establishing a commission. In 1950, they placed the creation of such an organization into the Republican Party’s Declaration of Principles.⁵⁴ Nevertheless, they were also aware of the need to make compromises to keep the issue on the table. During the 82nd Congress, Hendrickson convinced 21 of his Republican colleagues to co-sponsor a new measure introduced by O’Conor.⁵⁵ Like Bricker and Hendrickson’s initial bills, O’Conor’s legislation required the Commission to make recommendations concerning the reallocation of authority between federal, state, and local governments. To pick up additional support from Democrats like Humphrey, however, O’Conor replaced the intergovernmental structure in the Hendrickson bill with Humphrey’s call for a majority of the commission’s membership to come from Congress, with no mandate for state and local representation. On the Senate floor, Bricker and Hendrickson made the bill more palatable to conservatives by giving the Commission subpoena power and requiring that the President consult with state and local officials before making appointments.⁵⁶ Still, Hendrickson grouched, the bill was merely the best “that can be done at this time.”⁵⁷ The compromise O’Conor measure passed the Senate on a voice vote, but saw no action in the House in 1951.⁵⁸

From Compromise to Partisan Politics, 1953

Republicans had compromised to keep the commission on the agenda, but Republican victories in the 1952 congressional elections obviated the need for further compromises by creating unified Republican control of government for the first time since 1931.⁵⁹ Eisenhower’s victory over Taft in the nomination contest was a close one, which enabled the new Senate Majority Leader extract policy concessions.⁶⁰ In exchange for his effort at mobilizing party loyalists, Taft demanded that Eisenhower give conservatives key positions in the administration, balance the federal budget, and “fight domestic socialism.”⁶¹ Relying on Eisenhower’s commitment of support, Taft and new House

⁵³ *Congressional Record*, 81st Cong., 2nd sess., 14697, 16598.

⁵⁴ *Congressional Record*, 83rd Cong., 1st sess., 6091.

⁵⁵ S. 1146, 81st Cong. (1950).

⁵⁶ *Ibid.*

⁵⁷ *Congressional Record*, 82nd Cong., 1st sess, 8619.

⁵⁸ *Ibid.*

⁵⁹ Steven Wagner, *Eisenhower Republicanism: Pursuing the Middle Way* (DeKalb, IL: Northern Illinois University Press, 2006), 5.

⁶⁰ *Ibid.* In contrasting Eisenhower with the “Old Guard” in this article, I do not mean to suggest that Eisenhower was, in fact, a moderate on the question of expanding federal authority. As M. Stephen Weatherford has shown, Eisenhower’s stances on issues of political economy were bounded by his “distaste” for expanding central state authority. See M. Stephen Weatherford, “Presidential Leadership and Ideological Consistency: Were There “Two Eisenhowers” in Economic Policy?,” *Studies in American Political Development* 16 (Fall, 2002): 111–137.

⁶¹ *Ibid.*

Majority Leader Rep. Charles Halleck (R-IN) again introduced identical legislation (S. 1514 and H.R. 4406) establishing an Intergovernmental Relations Commission.⁶² Like Hendrickson's earlier compromise with O'Connor, these bills required the commission to consider technical problems of grants-in-aid and tax sorting and required it to issue recommendations on the reallocation of authority. Yet in contrast to Hendrickson's bill, theirs gave the organization the power of subpoena, allowing members to compel testimony from federal and state officials as well as private persons. Owing to the recent election, they also expanded the size of the commission to 25 members, 15 of which were to be chosen by the President, who could appoint state and local officials at his discretion.⁶³

The choice to delegate Congress's investigatory powers to a commission of potentially non-elected officials angered members of Congress who had voted for past Commission proposals in order to flex Congress's institutional muscle. Tellingly, neither Taft nor Halleck's commission bills introduced in the 83rd Congress garnered co-sponsorships.⁶⁴ Moreover, as Figure 2.1 shows, numerous Republicans and Southern Democrats introduced their own measures, many of which proposed to both gut the Commission of its subpoena power and mandate the inclusion of state and local officials. Indeed, much of the time in the 1953 House and Senate hearings on these proposals was taken up by debates between Republican members about the wisdom of the Halleck and Taft plans (see Table 2.2), which members like Rep. Clare Hoffman (R-IL) believed delegated too much power to a non-elected body.⁶⁵ And while witnesses' rationales for supporting the commission remained largely the same, liberal Democrats now more loudly opposed it. As Robert Condon (D-CA) argued, that the large number of presidential appointments could not help but make the commission "highly political," since the president could now appoint "15 executives from General Motors" to the body.⁶⁶ This was dangerous, Condon later warned; because of the he "prestige of the committee [*sic*]" and the publicity it would receive, members of Congress might well be "subjected to pressures" to pass legislation that many "in good conscience could not approve."⁶⁷

With wider margins in both chambers, these objections were now largely meaningless. In the Senate, Taft's bill handily defeated alternatives proposed by Sen. Hubert Humphrey (D-MN), which would have minimized the commission's investigatory powers.⁶⁸ By this point, the anti-bureaucratic rhetoric was scalding, with

⁶² S. 1514, 83rd Cong. (1953); H.R. 4406, 83rd Cong. (1953).

⁶³ Ibid.

⁶⁴ Ibid.

⁶⁵ U.S. Congress, House of Representatives, Committee on Government Operations, Subcommittee on Intergovernmental Relations, Hearings on the Commission on Intergovernmental Relations and Commission on Executive Branch of Government, 83rd Cong., 1st sess., May 12–15, 1953, 192–193.

⁶⁶ U.S. Congress, House of Representatives, Committee on Government Operations, Subcommittee on Intergovernmental Relations, Hearings on the Commission on Intergovernmental Relations and Commission on Executive Branch of Government, 83rd Cong., 1st sess., 217–218.

⁶⁷ Congressional Record, 83rd Cong., 1st sess., 6089–6090.

⁶⁸ "Federal-State Relations Study," *Congressional Quarterly Almanac* 9 (1954): 440.

conservatives insisting that the commission should study the “entire field of overlapping functions, duplication and waste, and all the knotted vines in a jungle of confusion which have grown up and entangled our fiscal relationships and our budgets at all levels of government.”⁶⁹ On the House floor, Halleck easily fought off Democratic criticism on the House floor by quoting a speech given by presidential nominee Adlai Stevenson, excoriating “big government.”⁷⁰ He also chided Republican critics who claimed that the bill gave too much power away to the executive branch.⁷¹ Given that the purpose of the Commission was to deal with issues of intergovernmental relations, Halleck suggested, the administration would inevitably appoint state and local officials in an “equitable” fashion.⁷²

By July 10, 1953 the bill had sailed through the House and a conference committee and the U.S. Commission on Intergovernmental Relations was born.⁷³ Conservatives like Bricker hoped they could parlay this legislative victory into a sustained effort at reform. Yet as the next section shows, their first choice for a Chairman sunk the Commission’s prospects for producing credible, useful information and developing strong ties with core interest groups.

II. Clarence Manion and the Limits of Ideological Politics, 1952–1954⁷⁴

The creation of the CIR guaranteed little no consensus between conservatives and state and local officials about the content of the organization’s policy recommendations. In the months that followed the passage of the Commission legislation, Republican leaders scrambled to find a chairman to shape the CIR’s work. At stake in this search was nothing less than the capacity of the new body to elicit the same kind of public support for reform that the Hoover Commission had generated and to forge a coalition with state and local officials for reform. Fierce anti–New Dealers like Taft hoped that, as with Hoover, they would be able to appoint a leader with both a strong commitment to

⁶⁹ Ibid.

⁷⁰ Congressional Record, 83rd Cong., 1st sess, 6091.

⁷¹ Ibid.

⁷² Ibid.

⁷³ Federal-State Relations Study,” *Congressional Quarterly Almanac* 9 (1954): 440.

⁷⁴ This section is based on a combination of the records of the Commission on Intergovernmental Relations, oral histories by members of the Eisenhower Administration, and the papers of Clark Kerr, a member of the CIR. The Kerr records are particularly enlightening here, primarily because of the thickness of description and the provenance of the evidence. As Kerr was preoccupied with his job as the Chancellor of the University of California, he often sent surrogates to Washington to serve in his place at Commission hearings. As a condition of their employment, Kerr’s surrogates (usually Berkeley political scientists Samuel May, Eugene Burdick, and Norman Jacobson) were obliged to correspond candidly with the Chancellor. In doing so, they presented detailed portraits of Commission business, interviews with participants, and character sketches of the Commission’s most crucial personalities. Taken together, these records illustrate not merely publicly stated positions of members during meetings but a better sense of individuals’ preferences and desires in the course of the Commission’s activity. Though Kerr’s surrogates clearly had an interest in ensuring him that his interests were being represented, I can find no evidence of desire to mislead him. In fact, quite the contrary seems to be the case. In every respect, Kerr appears to have inspired frankness among his subordinates.

conservative ideals and a strong professional reputation for expert advice.⁷⁵ As this section shows, their first choice of firebrand law professor and “constitutional conservative” Clarence Manion undermined the Commission’s generative capacity. Manion’s divisive style and obsession with the constitutional illegitimacy of the New Deal prevented the Commission from producing valuable new information about policy problems and exacted a reputational cost for the organization with elites. Moreover, his refusal to act as a broker between the Commission’s members undermined conservative efforts at building a reform coalition. In the end, the first Chairman’s neglect of the Commission’s meetings and support for a conservative challenge to the Administration led to his ouster.

A Constitutional Conservative and His Adversaries

Clarence Manion was a professor of constitutional law, former Dean of Notre Dame Law School, and a pioneer in the American right wing’s revitalization.⁷⁶ Though registered as a Democrat, Manion was stridently opposed the New Deal; his nationally syndicated radio program, *The Manion Forum*, spread the gospel of limited government to a sizable base of listeners. As a legal scholar, his chief mode of attacking the New Deal was to popularize the idea that the New Deal was unconstitutional. As part of one campaign, Manion had arranged for large copies of the Declaration of Independence to be placed in branches of a South Bend bank so that customers could read it and add their signatures, and register their protest of “American socialism.”⁷⁷

Manion’s status as a popular commentator on constitutional issues may have cemented his credibility as chairman of a commission on federalism, but he had also proven his conservative colors in the electoral trenches, frequently speaking in front of organizations like NAM and the American Management Association, and supporting Taft as a member of his presidential nominating commission.⁷⁸ After Taft lost the party’s presidential nomination in 1952, Manion adapted by making stump speeches in favor of Eisenhower that emphasized a strong message of “states’ rights” and a return to “constitutional government in the United States.” These high-profile speeches landed him

⁷⁵ Clarence Manion, Oral History Interview, April 2, 1976, Columbia Oral History Project, OH 371, DDEL, 42–43. I utilize Clarence Manion’s oral history here while recognizing its obvious potential retrospective bias as well as Manion’s own interest in recounting controversial events to paint himself in a positive light. However, once properly contextualized, his recollections inadvertently reveal to a great extent the role he played in the intrapartisan battles over states’ rights and federalism in the 1950s.

⁷⁶ Sherman Adams, Oral History Interview, June 19, 1970, Columbia Oral History Project, OH 162, DDEL, 259–262. In all likelihood, Manion had been nominated by Senator Everett Dirksen (R–IL).

⁷⁷ Historians have recently paid more attention to Manion as a key figure in organizing elite conservatives during the mid-twentieth century. See Kim Phillips-Fein, *Invisible Hands: The Making of the American Conservative Movement from the New Deal to Reagan* (New York: W.W. Norton, 2009); Clarence Manion Oral History Interview; Donald Critchlow, *The Conservative Ascendancy: How the GOP Right Made Political History* (Cambridge, MA: Harvard University Press, 2007); Nicole Hoplin and Ron Robinson, *Funding Fathers: The Unsung Heroes of the American Conservative Movement* (Washington, D.C.: Regnery Publishing, 2008), 87–118; Clarence Manion, *The Conservative American: His Fight for National Independence and Constitutional Government* (New York: Devin-Adair, 1964).

⁷⁸ Clarence Manion Oral History Interview, 38–39, 43.

an engagement on a national television broadcast sponsored by Democrats for Eisenhower.⁷⁹ To conservatives in the Republican leadership, Manion looked like an ideal choice.

After the initiating legislation for the CIR had passed, Eisenhower—as part of his concession to conservatives—invited Taft to “line up some principals” who could chair the Commission. By the spring of 1953, Eisenhower’s chief of staff, Sherman Adams, had invited Manion to meet Eisenhower for an interview at the President’s retreat in Colorado Springs. A reconstruction of this meeting reveals the tension in conservative approaches to the issue of federalism that had been baked into its enacting legislation.⁸⁰ As Manion later recalled, Eisenhower began by stating that the Commission’s purpose was simply to sort out governmental responsibilities: “We got so many overlapping agencies, the federal government, the state governments; they’re doing the same thing.”⁸¹ However, when Manion pushed him on it, Eisenhower admitted that he was sympathetic to the professor’s position that “vital constitutional rights” had to be returned to the states. The President then hedged, suggesting that, “before you give the states their rights back, you got to leave them with something to execute them with. They’ve got to have the revenues and access to tax sources in order to raise the money to execute those rights.”⁸²

Manion agreed with Eisenhower’s assessment, but suggested that the main purpose of the Commission should be to propose the elimination of federal involvement in taxation and spending in a number of key policy areas. Again, he pushed Eisenhower, asking if he could say publicly that the Commission was a “states’ rights commission.” Yet Eisenhower insisted on a more gradual, if still certain, transition of powers and revenue to the states: “We’re not just going to throw these things at the states and tell them to do it.”⁸³ Manion needled further: “Mr. President, you want to restore the constitutional integrity of the states as I see it. This is the purpose of this commission. People are going to ask me about it.” Exasperated, Eisenhower agreed: “That’s it! Constitutional integrity of the states! That’s it! That’s it!”⁸⁴

This affirmation was all the ammunition Manion needed to launch a public campaign in favor of a sweeping return to “states’ rights,” an effort that involved speaking engagements at professional and civic associations across the country. In Manion’s recollection, the general reaction to his agenda was enthusiastic: “People ate it up. It was exactly what they wanted. We were getting along fine with everyone but the

⁷⁹ Clarence Manion, Oral History Interview, 49–50.

⁸⁰ This passage draws extensively on Manion’s recollections given in his oral history interview. Here, it is clear that Manion wants to show that Eisenhower approved of his ideas for the Commission’s strategy and focus at first, and only opposed Manion after both men became more embroiled in the Bricker Amendment controversy. Inadvertently, and crucial to my argument here, Manion’s discussion with Eisenhower reveals just how different their approaches to intergovernmental reform were at the outset, suggesting that Manion’s eventual ouster from the Commission was as much about the Administration’s position on federalism issues as it was Manion’s mobilization on behalf of the Bricker Amendment.

⁸¹ Clarence Manion, Oral History Interview, 51.

⁸² *Ibid.*, 54–5.

⁸³ *Ibid.*, 52–3.

⁸⁴ *Ibid.*, 54–5.

bureaucracy. [Bureaucrats] began to say: ‘My God, what’s going to happen here? The Bureau of Roads, for instance, are you going to have the states build their own roads?’ I said, ‘Oh, yes.’”⁸⁵

In reality, Manion’s actions as Chairman cost the Commission’s reputation dearly. Observers foresaw problems with the disjuncture between Manion’s approach to the issue of federalism and that of other members of the Commission. As the *Washington Post*’s editorial page put it, Manion’s extreme views on federalism issues were “not a favorable omen” for the work of the Commission, which the *Post* suggested might turn into a “states’ rights” vehicle unless Manion was checked by “men who see the danger of State encroachment upon the Federal Government as well as Federal encroachment on the States.”⁸⁶

Table 2.3. Members of the Commission on Intergovernmental Relations

<i>Name</i>	<i>Position</i>	<i>Manion supporter?</i>
<u>Presidential Appointees</u>		
Alfred E. Driscoll	Governor (R–NJ)	Yes
William Anderson	Professor, University of Minnesota	No
Lawrence A. Appley	President, American Management Association	Yes
John Battle	Governor (D–VA)	Yes
John E. Burton	Vice President, Cornell University	Yes
Charles P. Henderson	Mayor, Youngstown (R–OH)	No
Oveta Culp Hobby	Secretary, Department of Health, Education, and Welfare	No
Marion Bayard Folsom	Undersecretary, Department of Treasury	No
Clark Kerr	Chancellor, University of California	No
Sam Jones	Governor (D–LA)	Yes
Alice K. Leopold	Director, Women’s Bureau	No
Val Peterson	Governor (R–NE)	Yes
Allan Shivers	Governor (D–TX)	Yes
Dan Thornton	Governor (R–CO)	Yes
<u>Senate Appointees</u>		
Guy Cordon*	Senator (R–TX)	Yes
Robert Hendrickson*	Senator (R–NJ)	No
Clyde R. Hoey*	Senator (D–SC)	Yes
Hubert H. Humphrey	Senator (D–MN)	No
Andrew F. Schoeppel	Senator (R–KS)	Yes

⁸⁵ *Ibid.*, 56.

⁸⁶ *Washington Post*, “Federal-State Overlapping,” Aug 23, 1953, B4.

<u>House Appointees</u>		
John D. Dingell	Rep. (D–MI)	No
James I. Dolliver	Rep (R–IA)	Yes
Brooks Hays	Rep. (D–AR)	Yes
Harold Ostertag	Rep. (R–NY)	No
Noah M. Mason**	Rep. (R–IL)	Yes
<u>Replacements</u>		
Wayne L. Morse	Sen. (I–OR)	No
Alan Bible	Sen. (D–NV)	No
John Marshall Butler	Sen. (R–MD)	Yes
Angier Goodwin	Rep (R–MA)	No

Notes: * Left office during Commission’s term. **Resigned membership.

Source: Personnel Files, Box 75, U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

Manion’s own divisive style also made the process of selecting the Commission a delicate negotiation. Though conservatives were keen on stacking the deck to ensure that the Commission would recommend a set of large reforms, they also needed a credible image of neutral, nonpartisan expertise to guarantee that the reforms would be perceived as broadly desirable.⁸⁷ Yet among the ten members of the Commission appointed by the Senate and House were Democrats John Dingell (D–MI) and Hubert Humphrey (D–MN), both of who were strongly opposed to the approach to government reorganization Manion would ultimately take. More importantly, presidential appointees included moderate professionals like the University of California’s Chancellor Clark Kerr. These individuals—and their counterparts on the CIR’s policy-specific study committees—would be more than window dressing for Manion’s “states’ rights” Commission. They composed a robust set of opponents to more reliable conservative industrial leaders like Lawrence Appley of the American Management Association, and conservatives like Gov. John S. Battle (D–VA) and Rep. Noah Mason (R–IL) who strongly endorsed Manion’s vision. Archival evidence compiled about the original members of the committee (summarized in Table 2.3) suggests an almost even split between probable Manion supporters, composed of conservative Republicans and some Southern Democrats, and opponents, made up of Eisenhower supporters and moderate or liberal Democrats.⁸⁸ Thus

⁸⁷ Box 8, Folder: Committees and Meetings, Commission on Intergovernmental Relations, 1953, U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

⁸⁸ Ibid. It is of course impossible to actually estimate how likely it was for these members to support any of Manion’s individual positions, especially because it was unclear at the outset what issues would be on the Commission’s agenda. Where possible, I based these categorizations on observations of participants in the

the CIR had the *potential* for organizational brokerage. Under Manion, however, the organization's ability to realize that potential remained in doubt.

The Political Limits of Constitutional Critique

Manion left no doubt about his intentions for the Commission's final product. Before the first meetings were held, he wrote to each of the newly selected members, suggesting that he had found widespread support for the view that the "responsibilities of the local and state governments should be widely expanded at the same time present activities of the federal government are sharply curtailed."⁸⁹ Manion's enthusiasm in pursuit of this goal cannot be overstated. The law professor toured the country, making televised speeches to suggest, for instance, that the Tennessee Valley Authority was a hallmark of creeping socialism and should be sold off to private firms. Future electrification projects, Manion suggested, should be undertaken by states and local communities, not the federal government.⁹⁰ As one observer later recalled, however hyperbolically, "There can be little doubt that the purpose uppermost in the minds of a majority of the Commission at the beginning was that of dismantling the Federal Government."⁹¹

Knowing that he would face opposition from moderate members of the Commission, Manion also attempted to stack the deck against his adversaries. At Manion's explicit request, the U.S. Chamber of Commerce and NAM, and their subsidiary state organizations, made public pleas for the devolution of federal authority to the states.⁹² Newspapers carried stories of employer groups taking a strong stand against all federal grants-in-aid and for the restoration of the states' "responsibility for services now performed under the federal handout program."⁹³ Manion also arranged for these groups to contact members of the Commission to make the case directly.⁹⁴ In the winter of 1954, for example, the Illinois State Chamber of Commerce sent members of the CIR a copy of its report entitled, "A Program to Reduce Federal Domination Over State and Local Affairs."⁹⁵

Commission's early meetings, votes taken at these meetings, and positions revealed between members of the Commission in confidence. See also: Samuel May to Clark Kerr, 21 July 1954, Box 7, Folder 40, Clark Kerr Papers, BANC; Albert Lepawsky to Eugene Burdick, 4 March 1954, Box 7, Folder 40, Clark Kerr Papers, BANC; Eugene Burdick, "Some Recent Developments in Federal and State Relations," n.d., Box 7, Folder 40, Clark Kerr Papers, BANC; Eugene Burdick to Clark Kerr, 4 January 1954, Box 7, Folder 40, Clark Kerr Papers, BANC; Norman Jacobson to Clark Kerr, 28 October 1954, Box 8, Folder 2, Clark Kerr Papers, BANC.

⁸⁹ Clarence Manion to Clark Kerr, 23 September 1953, Box 7, Folder 39, Clark Kerr Papers, BANC.

⁹⁰ "Manion Favors Selling TVA to Private Firms," *Washington Post*, October 21, 1953, 6.

⁹¹ Norman Jacobson to Clark Kerr 28 October 1954, Box 8, Folder 2, Clark Kerr Papers, BANC.

⁹² Eugene Burdick, "Some Recent Developments in Federal and State Relations," n.d., Box 7, Folder 40, Clark Kerr Papers, BANC; Edgar Morphet to William A Brownell 28 December 1954, Box 8, Folder 1, Clark Kerr Papers, BANC; "U.S. Chamber of Commerce", "Illinois Manufacturers Association", "Life Insurance Association of America", "National Grange", Box 82-3, U.S. Commission on Intergovernmental Relations: Records, 1953-1955, Accession A67-5, DDEL.

⁹³ "I.M.A. Takes Stand Against Grants-in-Aid," *Chicago Daily Tribune*, January 13, 1954, B6.

⁹⁴ Albert Lepawsky to Eugene Burdick, 4 March 1954, Box 7, Folder 40, Clark Kerr Papers, BANC.

⁹⁵ Ormond Lyman to Clark Kerr, 25 March 1954, Box 7, Folder 40, Clark Kerr Papers, BANC.

The task of translating Manion's agenda into a final report fell to the Commission's director of research, George C.S. Benson. A well-known opponent of the New Deal, political scientist, and the founding President of Claremont Men's College, Benson frequently published his attacks on the enlargement of the federal government in the editorial pages of the *Los Angeles Times*.⁹⁶ His first job on the Commission was to take the lead in writing a report on the "evolution of the American federal system," which would frame the problems the Commission would deal with.⁹⁷ Benson's initial drafts of the report put forward an argument about the "constitutional necessity" as opposed to mere "desirability" of a clean separation between federal and state spheres of authority. Based on his reading of existing jurisprudence and constitutional scholarship, he thought the Commission should recommend a drastic reduction in federal grant-in-aid programs, inciting new litigation if possible.⁹⁸ Yet he soon learned that he would have to go beyond legal rationales. Legal scholars like Cornell's Robert Cushman and Columbia's Arthur Vanderbilt found much to applaud after reading Benson's drafts, but cautioned against his overly optimistic reading of the case law.⁹⁹ As Vanderbilt wrote back:

So, to your question, "what legal limitations today remain on the power of the National Government to control the lives of the American people through the use of the spending power?"

My answer: substantially none, as far as the courts are concerned.¹⁰⁰

Sensing defeat, Benson quickly began to assemble empirical evidence about the failures of intergovernmental programs. He commissioned several New York consulting firms like Griffenhagen and Associates as well as groups like the Chamber of Commerce

⁹⁶ See George C.S. Benson, "Some Problems of Federal Aid to the States," *Los Angeles Times*, April 22, 1954, A4.

⁹⁷ Samuel May to Clark Kerr, 10 August 1954, Box 7, Folder 40, Clark Kerr Papers, BANC; Official Minutes of the Commission on Intergovernmental Relations [Sept. 30, 1953–May 22, 1955], Committees and Meetings, Commission on Intergovernmental Relations, 1953, Jan–Sep. 1954, Box 8, U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL; See also Box 38, Folder: Principles and Historical Development [of the American Federal System], U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

⁹⁸ Manion's influence on the research staff is noted throughout correspondence between members of the Commission. See, for example, William Anderson to Clark Kerr 28 October 1954, Box 8, Folder 3, Clark Kerr Papers, BANC. As University of Minnesota Professor William Anderson put it in a letter to the University of California's Clark Kerr, "The Commission has been considerably handicapped from the beginning by reason of the fact that there were definite time limits imposed upon us, and we had to begin to discuss questions of policy, as to what we would recommend before the necessary research and study had been made. There have been also some rather deep-seated and in part unexpressed differences of outlook and political and economic philosophy among the members...The staff was handicapped by the uncertainties as to the directions in which the ultimate decisions of the Commission would go."

⁹⁹ Box 11, Folder: Principles Section of Commission Report (1), U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

¹⁰⁰ Arthur Vanderbilt to William Prendergast, July 30, 1954, Box 11, Folder: Principles Section of Commission Report (1), U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

to conduct empirical studies of intergovernmental relations and to illustrate functional problems with federal grants-in-aid, with the hope of persuading a diverse array of commissioners to support drastic retrenchment.¹⁰¹

Yet Benson's efforts to generate new information to help reframe Manion's critiques were not enough to improve the Commission's credibility. While business associations promoted Manion's agenda to the public "with the fervor of an ideology," the CIR began to attract opposition as 1953 drew to a close.¹⁰² As the group's study committees and staff toiled away over reports on education, labor, and welfare, Manion crafted a public image for the CIR as an organization with one unifying political mission: to undo major liberal reforms.¹⁰³ He engaged in pitched public battles with labor leaders like George Meany, who claimed that the CIR showed "shocking disregard of the interests of American working people" in proposing to roll back workmen's compensation policies, a move which he believed was at the insistence of employers, whose main goal was to minimize their own tax burdens.¹⁰⁴ Manion insisted that the Commission was trying to preserve the Constitution and to improve the efficiency of American government.¹⁰⁵ Language like this only worsened the situation, causing some members to worry about how their association with it would affect their professional reputations. The University of California's Clark Kerr, for instance, wrote to his colleague in January that he preferred to dissociate himself with "the opinions which Dr. Manion has expressed and from the appointments which he has made."¹⁰⁶

Brokerage Fails

Manion's inability to reframe debates over federalism in public was matched by his failure to broker relationships between conservatives and other members of the Commission. With Manion touring the country and leaving his official duties to surrogates, the Commission had made very little progress. Some CIR consultants surmised that Manion's projection of the Commission as a "states' rights organization" had made it difficult to recruit competent staff.¹⁰⁷ State and local officials also felt alienated. Even Allan Shivers, the governor of Texas and a supporter of Manion worried that the "show was not yet on the road" and wondered whether or not the Commission needed to request an extension.¹⁰⁸ Manion rarely brought points of debate up for full discussion by the members, and treated them instead as "suggestion or observations,"

¹⁰¹ Boxes 82 and 83, U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

¹⁰² Eugene Burdick, "Some Recent Developments in Federal and State Relations," n.d., Box 7, Folder 40, Clark Kerr Papers, BANC.

¹⁰³ Box 100, Folder: Executive Director [Organizational Files], U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

¹⁰⁴ The Associated Press, "Manion Calls Meany Mistaken," *Washington Post*, January 17, 1954, M17.

¹⁰⁵ *Ibid.*

¹⁰⁶ Clark Kerr to Eveline M. Burns, 20 January 1954, Box 7, Folder 40, Clark Kerr Papers, BANC.

¹⁰⁷ Eugene Burdick to Kerr, 4 January 1954, Box 7, Folder 40, Clark Kerr Papers, BANC; Recruitment, Box 77, U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

¹⁰⁸ Eugene Burdick to Kerr, 4 January 1954, Box 7, Folder 40, BANC.

reported one member.¹⁰⁹ Governors in particular felt that Benson's staff reports were "premature" expressions of partisanship and that "broad policy statements should be reserved until the Commission has made an objective study of the situation."¹¹⁰

To other members of the Commission, internal procedure was less problematic than the bad press the organization was receiving. Governors like Dan Thornton (R-CO) confessed that Manion's publicity had damaged the CIR's credibility, observing that all but a small handful of conservative newspapers had reacted negatively to reports of Manion's activities.¹¹¹ Even the Chairman's supporters like Governor Sam Jones (D-LA) suggested that his constituents and colleagues in state government were apprehensive about the work of the Commission.¹¹²

Rather than appeal to the functional interests of state and local officials, Manion's staff initially put forward proposals that they believed would appeal to members of Congress. George Benson believed most pliable was a Southern Democrat, Rep. Brooks Hays (D-AK). He aimed to persuade Brooks that even unrestricted grants would, like a powerful narcotic, addict states to federal spending—minimizing their ability to resist federal controls that could be attached to new programs in the future.¹¹³ Yet while Hays believed that there were "grave dangers" to imposing standards "as a condition to share in federal funds," he cautioned that states could not be expected to take care of their own fiscal shortfalls.¹¹⁴ There is little indication that Benson was successful in changing Hays' mind.¹¹⁵

For Republicans, Benson's reports offered a different rationale for opposing grants-in-aid: the absence of economic need in many states. While federal assistance may have been necessary in the emergency context of the Great Depression, these reports argued that many wealthy states—especially in the Northeast had the kind of fiscal capacity to carry out their own policies and did not need help from the federal government.¹¹⁶ Furthermore, though liberals had long held that federal grants-in-aid were helping to rid the states of patronage by incentivizing the creation of new expert administrative agencies, Manion and Benson put forward that the proliferation of federal grant programs placed unelected administrative officials in positions of power over state governors. "Unelected bureaucrats" were for Manion the first warning signs of "state socialism."¹¹⁷

¹⁰⁹ Ibid.

¹¹⁰ Ibid.

¹¹¹ Ibid.

¹¹² Ibid.

¹¹³ Ibid.

¹¹⁴ Ibid.; Box 5, Folder: Meeting Jan 25, 1955, U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

¹¹⁵ Samuel May to Clark Kerr, 10 August 1954, Box 7, Folder 40, Clark Kerr Papers, BANC; Box 38, Folder: Principles and Historical Development [of the American Federal System], U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

¹¹⁶ Samuel May to Clark Kerr, 4 August 1954, Box 7, Folder 40, Clark Kerr Papers, BANC; Box 38, Folder: Principles and Historical Development [of the American Federal System], U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

¹¹⁷ Ibid. This concern is also reflected in Joanna Grisinger, *The Unwieldy American State*.

State officials on the Commission had little patience for these arguments, however, and felt that they had been shut out of the decision-making process. Dan Thornton (R-CO), believed that the only way to achieve credibility was to begin work at once on issues of unemployment and disaster relief in order to demonstrate the CIR's competence on important issues. Careful study, Thornton proposed, would demonstrate the necessity of the Commission's work and therefore prolong its life.¹¹⁸ Undertaking such research was not easily done, however. At the same meeting where Thornton made his proposal, order nearly broke down into a high-decibel argument about data presented by the staff concerning the surge in grants-in-aid.¹¹⁹ At the close of the meeting, Eugene Burdick, an advisor to Clark Kerr, described an organization in disarray:

... The Commission adjourned to a very excellent lunch which was laid on by the Chairman. I talked briefly with almost every member of the Commission, and this experience combined with the formal meeting, leaves me with the following impressions: Almost everyone is discouraged with the progress to date of the Commission.¹²⁰

Meanwhile, Eisenhower was growing increasingly disgusted with what he described as "Conservative Rightists," whose tactics he believed might cost the Republicans an election if taken too far.¹²¹ Manion had begun to lecture in support of the Bricker Amendment, which limited presidential treaty-making authority. With Republicans lining up in favor of the Amendment and the possibility of a failed Commission, Eisenhower's Chief of Staff, Sherman Adams, insisted that Manion be called to account. While Eisenhower slowly built a Republican coalition against Bricker in Congress, Adams managed the unruly chairman more swiftly.¹²²

Manion's chief defender in the administration had been Sinclair Weeks, a member of the White House staff who was sympathetic to the states' rights cause.¹²³ Yet Adams strongly disagreed with Weeks' assessment, suggesting that Manion's efforts to paint the CIR as a conservative, states'-rights organization would cause political trouble, damaging the organization's credibility and the president's image of impartiality. In early February, Manion met with Eisenhower and went on the offensive, informing the president that a mutual friend believed that the president was "selling out" on states' rights.¹²⁴ In truth, Manion himself had said much the same at a recent Houston Chamber of Commerce meeting, where he insisted that the president be held to his promise of restoring the "constitutional integrity of the states." Though this admission caused the President to go

¹¹⁸ Ibid.

¹¹⁹ Ibid.

¹²⁰ Ibid.

¹²¹ Ibid, 138; Eisenhower to Swede Hazlett, December 8, 1954, "DDE Diary December, 1954," DDE Diary Series (Whitman File), DDEL.

¹²² Ibid, 116-7.

¹²³ Sinclair Weeks, Oral History Interview, February 2, 1967, April 13 1967, April 14, 1967, Columbia Oral History Project, OH 277, DDEL.

¹²⁴ Clarence Manion, Oral History Interview, 67-70.

“red in the face,” the chairman did not stop there, informing Eisenhower of his (and the Commission’s) specific opposition to the administration’s plans to expand federal highway aid.¹²⁵

Soon, newspaper columnists like Marquis Childs began to receive anonymous tips (most likely from Adams) that Manion had been “asked to resign.”¹²⁶ Not long after these columns were published, Adams met with Manion and informed him of the administration’s desire to see him resign and on February 18, 1954, Manion honored the request.¹²⁷ The administration insisted that the resignation had nothing to do with Manion’s beliefs, suggesting instead that his political activities took up too much time for him to effectively lead the CIR.¹²⁸ Nevertheless, the administration had good reasons to believe that Manion’s ideological commitments, broadly shared by conservatives, were a threat to the credibility of the Commission, to the effective completion of its work, and to Eisenhower’s image.¹²⁹ As the *Washington Post* put it in an approving editorial:

[Manion] neglected his work on the commission to lecture and write extensively in opposition to the Administration’s viewpoint, and he had bitterly assailed those who disagreed with him...No wonder the President saw the folly of keeping Dr. Manion as a member of the “team.”¹³⁰

The editorial glumly concluded that Manion’s ouster only signified the *persisting* division between the president and the Republican leadership that pushed for Manion’s appointment, and that this rift would widen, rather than narrow, in the future.¹³¹ Though Manion was certainly one of the most vocal opponents of the administration, his supporters on the Commission shared his views. Without a change in direction, the *Post* concluded, the administration would have few bills it thought acceptable to propose to Congress. In the weeks that followed, this expectation held true. Conservative newspapers used Manion’s ouster as a means to criticize Eisenhower’s record, suggesting that he had abandoned the GOP’s commitment to limited government and to the preservation of local autonomy.¹³² Though the administration was “elected to end the reign of New Deal ideas,” according to one editorial, “The White House requested Dr. Manion’s resignation for the simple reason that he isn’t a New Dealer.”¹³³ Again, conservative columnists suggested that Manion was working tirelessly to stamp out

¹²⁵ Ibid, 66–83.

¹²⁶ Ibid.

¹²⁷ Clarence Manion, Oral History Interview, 79–81.

¹²⁸ Willard Edwards, “White House Fires Manion,” *Chicago Daily Tribune*, February 18, 1954, 1; *Los Angeles Times*, “Manion Blames Ouster on TVA Sale Proposal,” February 22, 1954, 11.; Philip Dodd, “Manion Tells Story of Ouster,” *Chicago Daily Tribune*, February 22, 1954, 1; *Washington Post*, “Manion Lays Ouster to TVA Sale Proposal,” February 22, 1954, 7.

¹²⁹ Sherman Adams, Oral History Interview, July 31 and August 3, 1969, Columbia Oral History Project, OH 523, DDEL.

¹³⁰ “Manion’s Exit,” *Washington Post*, February 19, 1954, 22.

¹³¹ Ibid.

¹³² *Chicago Daily Tribune*, “Manion Purge Shows U.S. Is Mised on Ike,” February 21, 1954, 1.

¹³³ “Dr. Manion Departs,” *Chicago Daily Tribune*, February 19, 1954, 14.

“federal socialism,” a term used again and again to telegraph the connection between centralized governance and opposition to capitalism.¹³⁴

Conservatives on and off the CIR also spoke up to criticize the administration’s decision, suggesting that it was obscene to fire a “patriot” like Manion. Sen. John Marshall Butler (R–MD) told one reporter that “men of independent judgment and firm conviction who express themselves on their convictions are not wanted in the administration.”¹³⁵ His colleague in the Senate, William Jenner (R–IN) went further, suggesting that Manion’s resignation had made him “shocked and anxious” since he was fired for his fundamental beliefs. Jenner lamented to reporters that Americans were living “in a dangerous age.”¹³⁶

Instigated by Manion’s ouster, interest groups on the right began to place more pressure on the Commission to keep the professor’s legacy alive. The chairman’s exit enraged members of the Chamber, one of whom wrote to Eisenhower that Manion’s resignation placed in jeopardy the Commission’s noble attempt to “return federally pre-empted responsibilities to the people and to the states.”¹³⁷

Conflict was roiling within the CIR as well. Noah Mason, a colleague of Manion’s on the Commission, resigned in protest one day after the chairman, suggesting that the administration was exercising an “autocratic dictatorship” over conservatives.¹³⁸ Not long afterwards, the Commission’s director of research, George Benson, penned a series of editorials for the *Los Angeles Times* critiquing grants-in-aid as contravening the design of the Constitution and the imperatives of governmental efficiency.¹³⁹ Manion’s ouster aside, Benson wrote, there is “a choice still open before us...Our Constitution leaves vast powers to the State and local governments. If we decide voluntarily to stop the increase of Federal power, we can do so.”¹⁴⁰

Manion, too, did not shrink from turning up the pressure once he resigned; he continued to speak at public events to declare that the centralization of power must be stopped because it was “the first step to a communist victory in the United States.”¹⁴¹ As he put it in a speech to the National Turnpike Association, “[r]eserved to the states is jurisdiction over health, education, general welfare and highways. But these rights are being bought by the federal government by the dispensation of 3 billion dollars a year in federal aids. Local governments are selling their rights for these largesses.”¹⁴² While the embattled ex-Chairman hoped that national professional organizations would come to the aid of the Commission in pushing for greater devolution of federal responsibilities, it

¹³⁴ Ibid.

¹³⁵ “Ike Fires Manion as Chief of Commission,” *Washington Post*, February 18, 1954, 1

¹³⁶ “Manion Lays Ouster to TVA Sale Proposal,” *Washington Post*, February 22, 1954, 7.

¹³⁷ John Thompson to Dwight Eisenhower, 20 February 1954, Box 7, Folder 40, Clark Kerr Papers, BANC.

¹³⁸ “Rep. Mason Throws In His Hand,” *Chicago Daily Tribune*, February 23, 1954, 20; “Rep. Mason Quits Board in Firing Huff,” *Los Angeles Times*, February 19, 1954, 4.

¹³⁹ George C.S. Benson, “Some of the Problems of Federal Aid to the States,” *Los Angeles Times*, April 22 1954, A4.

¹⁴⁰ George C.S. Benson, “U.S. Government Versus the States,” *Los Angeles Times*, April 18, 1954, B5.

¹⁴¹ *Chicago Daily Tribune*, “Manion Warns of U.S. Rule by Treaty Powers,” Mar 13, 1954. 6.

¹⁴² Hal Foust, “Manion Warns of Too Great Federal Power,” *Chicago Daily Tribune*, March 4, 1954, 13.

became increasingly apparent to conservatives that they did not have the support necessary to wage this battle, at least not on Manion's terms. Led by a new Chairman, they began to support an alternative approach.

III. Making Federalism Work: The CIR as a Research Unit, 1954–1955

By the spring of 1954, Eisenhower had chosen the CIR's new chairman. As many predicted, he selected a candidate who he felt could straighten the mess left by Manion.¹⁴³ Meyer Kestnbaum was the former Chairman's antithesis: a moderate Republican and the President of Hart, Schaffner, & Marx men's apparel company. Under Kestnbaum's leadership, the company had become the embodiment of what Eisenhower may have believed was a rational, balanced approach to decision-making, with a unique approach to labor-management relations that, by 1960, had secured almost fifty years of uninterrupted collective bargaining. He was, as one member put it: "a middle-of-the-road Republican, reasonable, tolerant, and not without elements of irony."¹⁴⁴

Though the new chairman had both formal authority and what many members described as undeniable charisma, conservatives on the CIR remained "in charge."¹⁴⁵ This was particularly true on the subordinate study committees that produced the reports that would generate the commission's main recommendations. To develop rosters for these committees, Manion had drawn deeply on his contacts at national business associations like the U.S. Chamber of Commerce and the National Association of Manufacturers (see Table 2.4), who remained loyal to the ex-Chairman's program. While liberal state and local bureaucrats were also represented on these committees, conservatives within Manion's social network were chairmen of all but two of these committees. For instance, the chair of the CIR's study committee on conservation and natural resources, William Rosecrans, declared it to be the intention of his committee to give the states virtual veto power over federal policy pertaining to the utilization and control over water basin areas. As one observer put it bluntly, the committees remained for the most part in the "hands of the axe-wielders."¹⁴⁶ As this section shows, however, Kestnbaum's leadership allowed the axe-wielders to use the full extent of the CIR's capacity by integrating new information and brokerage functions. First, he charged Study Committees with producing information in the form of surveys and reports that policymakers would find useful and credible. These surveys became a common basis for discussions between conservatives and state and local officials. Yet the Commission's short lifespan made it difficult for

¹⁴³ Box 1, Folder: "A-6 Administrative – Biographical Sketches – M. Kestnbaum," Meyer Kestnbaum Records, 1953–61, Pre-Accession, DDEL.

¹⁴⁴ Norman Jacobson to Clark Kerr 28 October 1954, Box 8, Folder 2, Clark Kerr Papers, BANC.

¹⁴⁵ Howard Pyle, Oral History Interview, May 11 and May 23, 1967 Columbia Oral History Project, OH-120, DDEL; "Commission Meetings Transcripts, 1954–55," Boxes 5–7, U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL; Robert Goodwin to Clark Kerr, n.d., Box 8, Folder 2, Clark Kerr Papers, BANC.

¹⁴⁶ Norman Jacobson to Clark Kerr 28 October 1954, Box 8, Folder 2, Clark Kerr Papers, BANC; Commission on Intergovernmental Relations, *Report to the President for Transmittal to the Congress*, 287–294.

these ties to persist or for conservative policy entrepreneurs to accumulate knowledge over time. Nevertheless, the Commission’s final report would call for the creation of an organization that would do just that.

Table 2.4. Membership on CIR Study Committees

<i>Type of Organization Represented</i>	<i>Members (N=99)</i>	<i>Chairmen (N=8)</i>
Business Association	28	4
State Government	19	1
Academic	14	3
Professional Association	14	0
Federal Agency	8	0
Labor	7	0
Congress	5	0
Local Government	4	0

Note: Includes membership of study committees on Agriculture, Highways, Welfare, Education, Public Health, Natural Resources and Conservation, Unemployment Compensation, and Payments In Lieu of Taxes and Shared Revenue.

Source: Personnel Files, Box 75, U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

Moving Beyond a “States’ Rights” Report: An Empirical Basis for Criticism

While the choice of Kestnbaum may have angered conservative columnists, his real influence posed less of a threat than they thought. Rather than challenging conservatives, he helped them to put the Commission’s investigatory powers to better use. Upon taking the chairmanship, Kestnbaum tasked Benson’s staff with conducting new “impact studies” of federal grant-in-aid based on quantitative analyses of program operations and surveys with state and local officials. While this approach ultimately broke with the “fixed federalism” advocated by Manion, the new Chairman suggested that Commission’s investigatory powers allowed it to expose the *managerial* problems of

overly centralized government and to identify pockets of interest interest-group support for reform, often in state governments.¹⁴⁷

A significant focus of Kestnbaum's early chairmanship was to push study committees to identify operations-level problems in existing intergovernmental programs. As a result, the ideological and constitutional tone of the discussions greatly dissipated. Virtually no mentions of the Supreme Court's recent *Brown v. Board of Education* decision appear in the Commission's transcripts. During a July meeting led by Kestnbaum, Brooks Hays now reported that the Commission could lift the issue of federalism "out of the legislative and emotional arena and into the intellectual and patriotic level."¹⁴⁸ As Hays put it further:

When we say that [power] has to go back to the states they say oh you're a Dixiecrat, and I say no I'm an American. I think that is where we come up with a history making and a tremendously significant report.¹⁴⁹

During Commission meetings, Kestnbaum routinely urged Manion's allies to examine and use "impact studies" which showed that federal agencies were imposing requirements arbitrarily without "taking into account the administrative problems of the states."¹⁵⁰ The Commission's recommendations, he argued, should be seen as "strengthening" popular programs and "improving" those that groups found problematic. When conservatives proposed eliminating the popular school lunch program, Kestnbaum suggested that they reshape their argument around the complaints of local administrators, which the Commission had the authority to survey. As Kestnbaum put it, the program's weakness—according to administrators—was the cost of complying with federal regulations, especially when states did not benefit extensively from the grants. Greater federal control, then, could be said to contribute to lower participation in the program. The solution was to maintain the grants while removing federal standards, placing the emphasis on a "state assumption of responsibility."¹⁵¹

The new Chairman did not pressure commissioners to change their core positions, but he did argue that they should build their recommendations upon a solid basis of facts and collaboration with state and local officials.¹⁵² As the negative reaction to Manion had made clear, conservatives had much to learn about their audience, and social-scientific

¹⁴⁷ Box 5, Folder: Transcript of Meetings of the Commission on Intergovernmental Relations, July 19–20, 1954, U.S. Advisory Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67–5, DDEL.

¹⁴⁸ Box 5, Folder: Meeting July 19–20, 1954, U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL, 119–120.

¹⁴⁹ *Ibid.*, 119.

¹⁵⁰ Box 5, Folder: Transcript of Meetings of the Commission on Intergovernmental Relations, January 23, 1955, U.S. Advisory Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67–5, DDEL.

¹⁵¹ Box 5, Folder: Transcript of Meetings of the Commission on Intergovernmental Relations, January 24, 1955, U.S. Advisory Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67–5, DDEL.

¹⁵² Norman Jacobson to Clark Kerr 28 October 1954, Box 8, Folder 2, Clark Kerr Papers, BANC.

surveys were the instruments by which they learned.¹⁵³ These surveys, and the responses to them, dominate the CIR's organizational files, and give us insight into what conservatives wanted to know. Writing to members of the study committee on Unemployment Compensation and Employment Service, for example, researcher James Yarger explained that surveys to state budget officers would ask "In the present system of detailed federal control of the budget process and administration justified? Would a loosening of such control improve the quality of state administration?"¹⁵⁴ Before long, state agencies returned surveys to the Commission complaining that their "limited control of administrative and fiscal capacities," combined with frequent federal audits was making it impossible to issue "prompt payments of benefits to the unemployed."¹⁵⁵ Evidence like this would allow conservatives to make a robust critique of federal programs, but in terms that a larger number of program constituencies could appreciate.

Signs of change on the Commission came quickly. Not long after Kestnbaum's appointment, staff members George Benson and William Prendergast exchanged letters outlining the "possible positions" the Commission's final report would take, the advantages and detractors of each, and the interest groups that were likely to support or oppose these positions. Neither man now suggested a radical retraction of federal grant-in-aid programs on their list. Instead, they proposed eliminating grants that they could produce evidence to suggest were "obsolete or extravagant" and those that could be shown as not serving a compelling national interest. To build support for their proposals from state and local governments, they proposed greater flexibility and fewer controls and recommended preserving the most popular, and profitable, grant programs.¹⁵⁶

By June, the *Wall Street Journal* reported that even the most conservative members of the CIR now demanded "objective appraisal" to see whether or not federal grants were really necessary in policy areas like housing and education.¹⁵⁷ The "objective appraisals" that the Commission's study committees began to produce were not dry technical documents. Instead, they were collages of evidence on government program operations, public and interest-group surveys, past policy enactments, and interviews with key contacts in states and federal government, all of which revealed the political dimensions of the reforms the Commission was in the midst of proposing.¹⁵⁸

¹⁵³ Ibid; William Anderson to Clark Kerr, 18 October 1954, Box 8, Folder 3, Clark Kerr Papers, BANC.

¹⁵⁴ Memorandum from James Yarger to members of the Unemployment Compensation and Employment Service Committee, July 12, 1954, Box 42, Folder: Committees and Meetings — Administration of Unemployment Compensation and Employment Service, Excerpts from State Impact Studies, U.S. Commission on Intergovernmental Relations, Files 1953–1955, Accession A67–5, DDEL.

¹⁵⁵ Ibid.

¹⁵⁶ George C.S. Benson to William Prendergast, March 11, 1954, Box 5, U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67–5, DDEL.

¹⁵⁷ *Wall Street Journal*, "Treasury Official Urges Study of U.S. Grants to States and Localities," June 25, 1954, 9.

¹⁵⁸ Richard L. Park to Norman Johnson, 30 December 1954, Box 8, Folder 1, Clark Kerr Papers, BANC; Peter H. Odegard to Clark Kerr, 29 December 1954, Box 8, Folder 1, Clark Kerr Papers, BANC; Edgar Morphet to William Brownell, 28 December 1954, Box 8, Folder 1, Clark Kerr Papers, BANC; Clark Kerr, Unmarked Summary of Commission Report, n.d., Box 8, Folder 1,; Clark Kerr Papers, BANC; Milton

Key to this effort was a burgeoning network of conservative social scientists who could conduct studies of federal programs. A frequent contributor to Commission debates was Roger Freeman, an economist and advisor to Washington's governor, with a long-term interest in intergovernmental relations and public education. Freeman's prior work brought him to the Commission as the research coordinator for its report on education, a post which would land him speaking engagements at events hosted by the Tax Foundation, a seat on planes chartered by the Chamber's "Aircades" for spreading business-oriented policy messages across the country, and future positions as Senior Fellow at the Hoover Institution and a special advisor in the Nixon administration.¹⁵⁹

Though he was a close contact of Manion's, later a guest on his radio program, and shared Manion's strong opposition to federal spending on education, Freeman's position on federal grants-in-aid for education was strategically nuanced. He was well aware of the political obstacles to embracing retrenchment, writing to staff member Lyle Belsley in 1955 complaining that a lack of secrecy by Commission members was leading to an "impossible situation" for him because of negative coverage of his proposals for phasing out federal grants, one of which the *Washington Post's* Drew Pearson had said would "cripple" the School Lunch Program.¹⁶⁰ Public support for the program, Freeman concluded, made it difficult to argue that the federal government should not be involved in education purely because of a concern about "states' rights." Nor was it politically wise to deny that education was an important goal or that that states were doing a pitiful job of providing decent facilities; public-school enrollment had ballooned in the early 1950s while classroom construction had stagnated.¹⁶¹ Rather, Freeman concluded, conservatives should develop the policy knowledge to shape a unique alternative to liberal proposals for education grants.

As a study committee research director, Freeman conducted interviews with state educators and fiscal officers and gathered evidence about how grants-in-aid functioned and why states failed to adequately support public education for the Commission's report on federal aid to education.¹⁶² With pressure to produce evidence behind their claims, conservatives saw it as a victory when the study committee on state and local taxation persuasively demonstrated to members of the Commission that few state governments were tapping all of the revenue sources available to them to finance program

Chernin and Anne Geddes to Clark Kerr, 23 December 1954, Box 8, Folder 1, Clark Kerr Papers, BANC; Francis Lindsay to Clark Kerr, 10 December 1954, Box 8, Folder 2, BANC; Robert Goodwin to Clark Kerr, n.d., Box 8, Folder 2, Clark Kerr Papers, BANC; Arthur Misner to Clark Kerr, 5 November 1954, Box 8, Folder 2, Clark Kerr Papers, BANC; Clark Kerr to Norman Jacobson, 14 March 1955, Box 8, Folder 3, Clark Kerr Papers, BANC.

¹⁵⁹ Roger Freeman Papers, Boxes 236, 305, 322 and 325, Hoover.

¹⁶⁰ Roger Freeman to Lyle Belsley, January 6, 1955, Folder: Federal Aid to Education, Jan. – Aug. 1954 (2), Box 19, U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

¹⁶¹ Roger Freeman, "Our Federal System at the Crossroads," Nebraska Citizens Council, November 30, 1954, Folder: Our Federalism at the Crossroads, Box 305, Roger Freeman Papers, Hoover.

¹⁶² McKinsey and Company, Report on Federal Grants-in-Aid in Washington and Mississippi, Roger Box 322, Roger Freeman Papers, Hoover.

operations.¹⁶³ As Freeman later exclaimed to his friend Herbert Miller, executive director of the Tax Foundation, “the factual material in the report is groundbreaking; it explodes some of the oft-repeated and widely accepted myths.”¹⁶⁴ With this same enthusiasm about “the facts,” Freeman wrote letters to members of the Eisenhower administration, the Chamber and conservatives in Congress, urging them to promote the commission’s findings in debates over public education and to combat union-distributed “propaganda” often distributed at state conferences on education.¹⁶⁵ Conservatives on the Commission would slowly learn how to integrate similar policy knowledge into their arguments about federal control.

Commission Surveys and Initial Attempts at Brokerage

Rigorous studies did more than create new knowledge about policy failures. Rather, they became a common basis of discussion and brokerage between conservatives and state and local officials. Among the materials most central to these discussions were ten nationwide surveys, eight of which focused on federal grants-in-aid to the states.¹⁶⁶ These surveys included responses from elected officials in the states and generalist organizations like the National Association of State Budget Officers, policy professionals in the states that administered federal grants-in-aid programs, and business groups like the U.S. Chamber of Commerce.¹⁶⁷

Debates over Commission recommendations now focused on both the administrative problems the studies had identified and surveys, which highlighted state and local officials’ complaints about the grant-in-aid system.¹⁶⁸ For example, a survey distributed to state public health officials, national associations of medical professionals, and public health schools specifically asked whether or not grant-in-aid programs “operated for or against democratic governmental processes” and whether or not federal controls were “unduly restrictive.” As Table 2.5 shows, the response revealed inconsistent support for rolling back grant programs and weak support for a “states’ rights” position, but strong support for block grants and fewer federal controls. As R.L. Cleere, director of Colorado’s Public Health Department’s response to a Commission survey is typical of the response the Commission received from his counterparts elsewhere. As Cleere put it, “this department has urged greater flexibility in use of federal

¹⁶³ This recommendation was eventually realized in the Commission’s report. See Commission on Intergovernmental Relations, *A Report to the President for Transmittal to the Congress*, 101.

¹⁶⁴ Roger A. Freeman to Herbert Miller, February 9, 1955, Box 323, Folder: Commission on Intergovernmental Relations, Correspondence, November, 1954, Roger Freeman Papers, Hoover.

¹⁶⁵ Roger A. Freeman to Senator Harry Byrd, February 11, 1955; Roger Freeman to Boyd Campbell, May 9, 1955; Roger Freeman to Oveta Culp Hobby, February 14, 1955, Box 323, Folder: Commission on Intergovernmental Relations, Correspondence, November, 1954, Hoover.

¹⁶⁶ See Boxes 16, 17, 18, 22, 24, 30, 31, 34, 35, 40, 41, 46, 54, 55, U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

¹⁶⁷ See for example Box 24, Folder: Federal Aid to Health (Questionnaire) B–N, Nat’l Associations – Institutions,” U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

¹⁶⁸ Norman Jacobson to Clark Kerr, October 28, 1954, Carton 8, Folder 2, Clark Kerr Papers, BANC.

funds by state and local administrators and has recommended block grants in principle.”¹⁶⁹

Table 2.5. Selected Results from Commission Survey on Federal Aid to Public Health

	<i>National Associations (N=20)</i>	<i>Schools of Public Health (N=7)</i>	<i>State Public Health Organizations (N=49)</i>
% Prefer block grants	40	42	61
% See federal involvement as threat to “States’ Rights”	47	0	16
% Prefer curtailment of grants-in-aid	29	0	2

Source: CIR, *A Study Committee Report on Federal Aid to Public Health* (Washington, DC: GPO, 1955), 31–38.

The CIR’s study committees also interviewed key policy constituencies like labor unions and professional groups.¹⁷⁰ Often, the opinions of these groups helped to shape committee recommendations to the Commission at large, forcing some politically unsavory proposals to the sidelines. Public health professionals, for instance, did not feel that grants-in-aid posed any threat to states’ rights “provided the advice of the states is taken in advance to the imposition of any regulations by a federal agency”¹⁷¹ and that the

¹⁶⁹ R.L. Cleere to Franklin Murphy, August 4, 1954, Box 24, Folder: Federal Aid to Health (Questionnaire) B–N, Nat’l Associations – Institutions,” U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL; DG Gill to William Church, July 27, 1954, Box 24, Folder: “Federal Aid to Health (Questionnaire) B–N, Nat’l Associations – Institutions,” U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL; Harold Barrett to William Church, August 13, 1954, Box 24, Folder: “Federal Aid to Health (Questionnaire) B–N, Nat’l Associations – Institutions,” U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL; T.F. Sellers to Franklin Murphy, August 3, 1954, Box 24, Folder: Federal Aid to Health (Questionnaire) B–N, Nat’l Associations – Institutions,” U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL; Roland Cross to Franklin Murphy, July 30, 1954, Box 24, Folder: “Federal Aid to Health (Questionnaire) B–N, Nat’l Associations – Institutions,” U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

¹⁷⁰ Arthur Misner to Clark Kerr, 5 November 1954, Box 8, Folder 2, Clark Kerr Papers, BANC.

¹⁷¹ Vlado Getting to Franklin Murphy August 3, 1954, Box 24, Folder: “Federal Aid to Health (Questionnaire) B–N, Nat’l Associations – Institutions,” U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL; Hugh Leavell to Franklin Murphy, August 3, 1954, (Harvard School of Public Health) to Franklin Murphy, Box 24, Folder: “Federal Aid to Health (Questionnaire) B–N, Nat’l Associations – Institutions,” U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

term itself was “obnoxious.”¹⁷² Yet they often approved of weakening federal controls on the states, out of a “basic need for administrative flexibility.”¹⁷³ With the exception of labor unions, countless organized constituencies within the New Deal coalition, reported similar managerial problems that the CIR would latch onto as it crafted its final report.¹⁷⁴ These criticisms were not the kind conservatives had hoped to report when they pushed for the creation of the CIR. Yet they slowly revealed valuable knowledge about how conservatives’ could frame their criticism to maximize interest-group support.

In addition to the surveys, the CIR’s staff also helped to establish 21 state-level commissions on intergovernmental relations and citizens’ committees in 9 states.¹⁷⁵ In October of 1954, the CIR took testimony from members of these organizations to further inform its conclusions.¹⁷⁶ As reports from these meetings and survey results poured in, conservatives gradually abandoned Manion’s strategy in favor of reforms that had support among state and local officials.¹⁷⁷ The case of Lawrence Appley provides a good illustration of how conservatives’ encounters with new technical and political evidence incentivized them to shift their positions on the Commission’s recommendations. Appley had been an uncompromising ally of Manion in the CIR’s early meetings and had admitted publicly that his acceptance of his appointment to the Commission had been motivated by a desire to eliminate New Deal institutions at all costs.¹⁷⁸ However, after Kestnbaum’s re-setting of the policy agenda, Appley had engaged the Commission’s study committees in substantive debates based on the data they were gathering. In large part, these meetings slowed down his critiques of the Commission. At subsequent general meetings, he was now willing to admit that federal responsibility should be encouraged in a number of instances, yet that states should retain as much responsibility as was feasible. Appley was evidently not alone in his transformation. Whereas few members initially favored continuing federal grants-in-aid to the states in most policies, most began to abandon these positions under Kestnbaum’s leadership.¹⁷⁹

¹⁷² Mike Gorman to Franklin Murphy, 30 July 1954, Box 24, Folder: “Federal Aid to Health (Questionnaire) B–N, Nat’l Associations – Institutions,” U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL; EB Whitten to Franklin Murphy July 27, 1954, Box 24, Folder: “Federal Aid to Health (Questionnaire) B–N, Nat’l Associations – Institutions,” U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

¹⁷³ Vlado Getting to Franklin Murphy August 3, 1954, Harold Erickson to Franklin Murphy, July 8, 1954.

¹⁷⁴ George Meany to E.J. Eberling, October 6, 1954 Box 42, Folder: “Committees and Meetings—Administration of Unemployment Compensation and Employment Offices, Excerpts from State Impact Studies,” U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

¹⁷⁵ See Boxes 67–73, U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

¹⁷⁶ See Box 4, Folder: Committees and Meetings (State Committees), U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

¹⁷⁷ Norman Jacobson to Clark Kerr, October 28, 1954, Box 8, Folder 2, Clark Kerr Papers, BANC.

¹⁷⁸ Ibid.

¹⁷⁹ Ibid. For example, Dr. George Bigge, representing Oveta Culp Hobby on the Commission, acknowledged that whereas in the beginning the grant-in-aid technique appeared headed for the complete disapproval of the membership, it had gradually gained acceptance as *the* device for the future.

As their interaction with prominent interest groups increased, conservatives learned which of their arguments fell flat and which did not. In the field of education, for instance, officials from every state except Utah wrote in to the Commission opposing its recommendations against federal grants-in-aid.¹⁸⁰ Far from seeing federal spending as an “invasion” of their constitutional rights, states welcomed grants-in-aid as a helpful and non-restrictive means to accomplish their goals of strengthening administrative and physical capacity to instruct students. This was especially true in states that lacked resources to finance school construction or to hire new educators to meet growing capacity requirements.¹⁸¹ As one education expert wrote to members of the committee:

The treatment of the financial situation in the states is not realistic, nor is the proposal for loans to states for capital outlay funds realistic. All of the facts show that there is still a range of about 3 to 1 in the states in ability to support education. While the percentage among the states has been decreasing somewhat, the dollar differences are as great, or practically as great, as they were some years ago. To say that loans to the less wealthy states to help with school construction problems would solve the problem is to ignore the fact that some of these states have only one half to one third of the taxpaying ability of other states and could not equitably make the greater tax effort, which would be necessary to repay the loan.¹⁸²

Yet conservatives also learned something much more important from their contact with these groups: their dissatisfaction with the administration of New Deal policies. In the case of education, many of these officials stressed the importance of local discretion and responsibility rather than federal control. As one county official put it, welfare programs were by their nature “local and personal...and can be best administered by local agencies having direct knowledge of...the needs of dependent people.” Federal involvement, he argued, should be limited to “assisting with adequate financial resources insofar as the conduct of welfare activities is concerned.”¹⁸³

By January of 1955, as the Commission went into deliberations on how to style its final report, the topic of education had turned into a tense debate over whether or not the final report should categorically recommend against federal grants-in-aid to the states. While some conservative hardliners continued to support a strong “devolution only” position, others began to gravitate towards a more politically palatable stance. One of these individuals was Henry Merritt Wriston, President of Brown University, and chairman of the Study Committee on Education. In the 1940s, Wriston had been in the vanguard of the conservative intellectual attack on the New Deal; in 1943, J. Howard Pew distributed thousands of copies of Wriston’s *Challenge to Freedom*, which urged

¹⁸⁰ William Brownell to Clark Kerr, 29 December 1954, Box 8, Folder 1, Clark Kerr Papers, BANC.

¹⁸¹ Edgar Morphet to William Brownell, 28 December 1954, Box 8, Folder 1, Clark Kerr Papers, BANC.

¹⁸² Ibid.

¹⁸³ Keith L. Seegmiller to Robert French, August 10, 1954, Box 46, Folder: Welfare Policy: A- Z (Questionnaire), Organizations (1)(2), U.S. Commission on Intergovernmental Relations: Records, 1953–1955, Accession A67-5, DDEL.

voters to reject any attempt at centralized planning as a violation of constitutional principles.¹⁸⁴ Yet in debates over the committee's recommendations on federal aid to education, Wriston insisted that federal aid to education be extended because if states did not have the capacity for satisfying public demands, the federal government would move into the "vacuum" of state indecision. For Wriston, however, properly crafted grants gave little control to policy specialists and wide latitude to state and local elected officials, creating only "gravy drippings" of a federal bureaucracy.¹⁸⁵ Administering grants thus meant *limiting* the power of federal agencies and their allies in the states, rather than enhancing the federal government's capacity to create guidelines or establish program goals.¹⁸⁶

By the time its report on education was complete, the Commission—with Kestnbaum's explicit blessing—chose a middle path with which most conservatives were comfortable.¹⁸⁷ The CIR argued against federal grants-in-aid to education, since "responsibility for providing general public education continue[s] to rest squarely upon the States and their political subdivisions." Yet to temper the conclusion, the Commission emphasized that this finding was based on an "absence of evidence of need at the state level." If need could eventually be found, "the National government ... would be justified in assisting such States temporarily in financing the construction of school facilities—exercising particular caution to avoid interference by the National Government in educational processes or programs."¹⁸⁸

The final report on education thus left the door open for future federal action, but clarified a policy, rather than constitutional, reason why states should maintain control of funding and control of schools, even if the federal government increased its involvement. Unsurprisingly, liberals on the Commission did not view the report as much of a compromise, suggesting that it flew in the face of abject need on the part of the states and little evidence that federal aid would diminish the capacity of states to plan their own policy.¹⁸⁹

The pattern of conservative adjustment found in the Commission's report on education is broadly representative of its work at large. As conservatives began to interact with core constituencies for a number of policies, they realized that practical support for devolution was low. Whereas letters from state and national industrial organizations toed a strong line on devolution, reports from state administrators in fields like housing, unemployment insurance, welfare, and civil aviation recommended extending—not

¹⁸⁴ Gregory Schneider, *The Conservative Century: From Reaction to Revolution* (Lanham, MD: Rowman and Littlefield, 2009), 41.

¹⁸⁵ U.S. Commission on Intergovernmental Relations, Meeting on Federal Aid to Education, Transcribed Minutes, September 30, 1954, Box 21, U.S. Commission on Intergovernmental Relations, 1953–1955, Accession A67-5, DDEL.

¹⁸⁶ Norman Jacobson to Clark Kerr, 15 January 1955, Box 8, Folder 3, Clark Kerr Papers, BANC.

¹⁸⁷ *Ibid.*

¹⁸⁸ Commission on Intergovernmental Relations, *Report to the President for Transmittal to the Congress*, 194.

¹⁸⁹ Norman Jacobson to Clark Kerr, 11 March 1954, Box 8, Folder 3, Clark Kerr Papers, BANC ; Clark Kerr to Norman Jacobson, 14 March 1954, Box 8, Folder 3, Clark Kerr Papers, BANC .

minimizing—federal responsibilities. Eisenhower’s secretary of labor, Robert Goodwin, wrote that conservatives’ proposal to devolve responsibilities for employment security to the states would make “undesirable basic changes” to the federal-state system of provision and “introduce new and untried provisions which have, in my judgment, inherent structural weaknesses that would endanger successful future performance.”¹⁹⁰

As the CIR began to wrap up its deliberations, the situation was clear: conservatives had encountered and adapted to opposition to their more radical proposals. In September of 1954, an internal memorandum on thirteen “Central Points of Agreement” among the Commission’s members led off this way:

1. Grants-in-aid, in some form and for some purpose, should be continued at this time.

Comment: There was no sentiment expressed in favor of immediate termination of all grant programs. In favor of continuance are the facts that grants have served and are serving useful purposes, that immediate termination would have a damaging shock effect, and that such action would be politically impracticable.¹⁹¹

The memorandum went on to suggest that, as a policy instrument, grants did not necessarily lead to centralization. Rather, the Commission should endorse grants-in-aid that were federalism-preserving, meaning that they were made on the basis of a carefully documented incapacity in the states, subject to frequent congressional review and the “consideration of the sentiments of various state governments”, and made as broadly as possible, preferably as “block grants for broad functional areas.”¹⁹² These broad agreements were not the ready-made construction of Eisenhower Republicans, but the product of conservatives actively moderating their position to meet the realities of public and interest-group opposition to “turning back the clock.”

Entrepreneurs Encounter the Limits of a Temporary Commission

In May of 1955, just as conservative policy entrepreneurs were gaining some facility with procuring government information and conducting surveys, the Commission’s lifespan was coming to an end. Staffer Roger Freeman wrote to Kestnbaum that it was likely that the Commission’s activities would “soon be forgotten unless a planned attempt is made to keep the subject and the idea alive. This would require a group or organization which would follow up the reports and pursue the purpose for which the Commission was created.”¹⁹³ Without a more durable organization, entrepreneurs like Freeman found it difficult to accumulate knowledge about intergovernmental policy debates as they evolved over time.

¹⁹⁰ Robert Goodwin to Clark Kerr, n.d., Box 8, Folder 2, Clark Kerr Papers, BANC .

¹⁹¹ Memorandum on “Central Points of Agreement or Tentative Agreement on Grants-in-Aid Reached at Denver Meeting”, Box 8, Folder: Committees and Meetings, Commission on Intergovernmental Relations, July-September, 1954, U.S. Commission on Intergovernmental Relations Records, A67-5, DDEL.

¹⁹² Ibid.

¹⁹³ Roger Freeman to Meyer Kestnbaum, May 9, 1955, Box 323, Roger Freeman Papers, Hoover.

While policy entrepreneurs like Roger Freeman and George C.S. Benson had benefited from their work at the Commission, the organization's termination forced them it "into the backwoods."¹⁹⁴ As he confessed to the Chamber's Tom Boushall in February of 1955, without regular reports to Congress representing the "other side" in his own field of education policy, it would succumb to "misleading propaganda."¹⁹⁵ And absent the ability to compel the production of new information from government agencies to challenge new arguments in favor of federal aid to education as they emerged, Freeman felt that "the other side" would simply be "locked up in the vault."¹⁹⁶

Benson feared, more importantly, that the Commission had not given conservatives enough time to develop sharp alternatives to the current scheme of grants-in-aid and its 311-page *Report to the President for Transmittal to the Congress* was still too "pro-federal-government."¹⁹⁷ With limited time for deliberation, the Commission produced instead a new broad limiting principle for federal authority, based on policy rationales rather than legal arguments. Summarized succinctly on page six of the report:

Leave to private initiative all the functions that citizens can perform privately; use the level of government closest to the community for all public functions it can handle; utilize co-operative intergovernmental arrangements where appropriate to attain economical performance and popular approval; reserve National action for residual participation where State and local governments are not fully adequate, and for the continuing responsibilities that only the National government can undertake.¹⁹⁸

The best the Commission could do for Benson and Freeman in the short term was to provide a new framework for arguing that the federal government "need not do everything" that it had the constitutional capacity to do. Instead, the report suggested, Congress should exercise forbearance and diffuse authority when possible and provided guidelines for identifying when the federal government should not act, and when it should act *through* or *with* the states rather than acting alone.¹⁹⁹ Its final report also recommended the establishment of a permanent commission on intergovernmental relations, to be made up of federal and state officials alike.²⁰⁰ This, Freeman hoped, would improve conservatives' agility in policy debates.

IV. The Commission's Legacy: Shifting the Debate on Federalism

The CIR helped to shift conservatives' approach to the politics of federalism in the 1950s. By introducing new information on the problems of federal rules constraining the

¹⁹⁴ Roger Freeman to Welles Gray, February 14, 1955, Box 323, Roger Freeman Papers, Hoover.

¹⁹⁵ Roger Freeman to Tom Boushall, February 7, 1955, Box 323, Roger Freeman Papers, Hoover.

¹⁹⁶ Roger Freeman to Alfred Driscoll, January 31, 1955, Box 323, Roger Freeman Papers, Hoover.

¹⁹⁷ Clark Kerr to Norman Jacobson, 14 March 1955, Box 8, Folder 3, Clark Kerr Papers, BANC.

¹⁹⁸ Commission on Intergovernmental Relations, *Report to the President for Transmittal to the Congress*, 6.

¹⁹⁹ *Ibid.*, 59–89.

²⁰⁰ *Ibid.*, 87.

use of grants by state and local governments, it offered a new definition of “limited government” that appealed a larger number of policy elites, who began to focus their energy and interest on federalism issues. The CIR’s short lifespan and difficulties with its first chairman did not allow for the emergence of a coalition for specific reforms to federal state relations. To continue the Commission’s legacy, Eisenhower appealed to governors to establish a Joint Federal-State Action Committee (JFSAC). The JFSAC’s structure, however, excluded key policymakers, making it an ineffective instrument of reform. Third, though policy entrepreneurs on the CIR’s staff began to draft policy alternatives, they were not capable of promoting these alternatives in the short term, they began directing their long-term research efforts towards policies that the Commission had hinted at, including consolidating grant-in-aid programs.

Reframing Federalism: Limiting Government Through Self-Restraint

The Commission’s program evaluations and surveys had done more than generate reams of data for policy entrepreneurs to pore over. Rather, they identified specific weaknesses in existing programs and published recommendations that reported a new “consensus” about necessary reforms. The new consensus was that federal agencies could and should restrain themselves from excessive control. Even where federal action was constitutional and desirable, the Commission urged, “greater attention should be given to minimizing its extent and to leaving room for and facilitating cooperative or independent State action.”²⁰¹ The federal government could both act strongly where it was needed and preserve local values if it simply acted through the states, by giving grants to states in order to create their own policy regimes and performing joint federal–state administration of these regimes. In fact, the Commission suggested, it was “almost always better” to engage in federal–state partnerships (rather than solo initiatives) when administering policy to preserve the balance of “flexibility and efficiency.”²⁰²

Looking at the Commission’s report as a whole, we see that “pure” opposition to grants-in-aid lost out across the board. Table 2.6 summarizes Commission’s recommendations. Though not all of the Commission’s 156 recommendations contained a stance on how government authority should be divided, many did. Of these recommendations, a very small number—nearly ten percent—clearly favored expanding federal fiscal authority or administrative control over public policy. The majority of these were in the areas of civil defense and employment security, both fields that the Commission clearly designated as core federal responsibilities. A slightly larger number of recommendations—about twenty-four percent—advocated for the maintenance of state and local control over public policy, or for the elimination of existing federal grants-in-aid. Many of these were in the fields of public welfare, housing, and education, all of which the Commission held were vital, traditional areas of state and local dominance. By contrast, fifty percent of the Commission’s recommendations held that both the federal government and the states had a part to play, but that the federal government should practice some form of forbearance. These were fields like agriculture, civil aviation, and

²⁰¹ Ibid, 65–8.

²⁰² Ibid.

natural-resource conservation, in which, though the federal government clearly had broader constitutional authority, the Commission advocated for limits to its use.

Table 2.6. Tally of CIR Recommendations by Report Chapter

	<i>Oppose or eliminate grants-in- aid</i>	<i>Federal Forbearance</i>	<i>Increase federal fiscal support or national administration</i>	<i>Total Recommendations</i>
Total (N)	38	78	15	156
Total (%)	24	50	10	100

Source: Tabulated by author from CIR, A Report to the President for Transmittal to the Congress (Washington, DC: GPO, 1955).

Though not all conservatives on the Commission endorsed these compromised views, liberals were just as likely to offer strong dissents from the Commission's final report. As Table 2.7 suggests, out of the 162 dissents contained in the report's footnotes, liberals like Wayne Morse and Hubert Humphrey were especially frequent in dissenting from Commission recommendations. This is reflected, as the bottom panel shows, in the larger number of dissents recommending maintaining federal support for program activities as opposed to loosening federal control or eliminating additional program funding.

Table 2.7. Dissents in the CIR's Final Report

(a) Commission Members with Highest Frequency of Dissents

Name	Number	%
Sen. Hubert Humphrey (D-MN)	24	14.81%
Sen. Wayne Morse (I-OR)	23	14.19
Gov. Dan Thornton (R-CO)	19	11.72
Gov. Alfred Driscoll (R-NJ)	18	11.11
John E. Burton (Cornell University)	13	8.02
William Anderson (University of Minnesota)	8	4.93
Gov. Allan Shivers (D-TX)	7	4.32
Rep. John Dingell (D-MI)	7	4.32
Gov. Val Peterson (R-NE)	6	3.7
Gov. Sam Jones (D-LA)	6	3.7

(b) Most Frequent Topics Found in Dissents

Dissent recommends	Number	%
Increasing or maintaining federal fiscal support for policy goal	44	27.16%
Loosening federal administrative controls on grant-in-aid programs	31	19.13
Eliminating existing grant-in-aid program	26	16.03
Unifying national standards or nationalizing program administration	24	14.81
Targeting federal aid towards need	7	4.3

Note: Total number of dissents identified = 162.

Source: See Table 2.6.

The consensus that limited government meant stopping administrative overreach was not a pure win for conservatives who preferred a stronger focus on constitutional arguments. Yet its support among policy elites made it an especially powerful critique. As the *Washington Post* highlighted in 1955, the Commission had succeeded in raising the issue of federalism to a level of salience in political discourse that it had not seen before, using expertise to provide a “ringing endorsement of federalism,” which placed the blame for centralization squarely on the lack of state capacity and floundering energy behind proposals for state control of policy, rather than the anti-democratic ambitions of federal policymakers. Its greatest contribution, the *Post* argued, was its role as a “watchdog” for the states²⁰³, showing that the “national government has now within its reach authority beyond what it requires for ordinary use.”²⁰⁴ Similarly, the right-leaning editorial page at the *Los Angeles Times* likened the Commission’s *Report* to the work of the Hoover Commission on “disentangling government,” highlighting that the federal government had attained power of the states via fiscal tools and that steps needed to be taken to minimize federal interference, even if grants remained on the table.²⁰⁵ Other writers approvingly highlighted the Commission’s suggestions that federal grants-in-aid programs, such as those on soil conservation and public health, should be rationalized to give state and local authorities decision-making authority as a way of minimizing federal interference and duplication.²⁰⁶

²⁰³ “Watchdog for Federalism,” *Washington Post*, June 30, 1955, 16.

²⁰⁴ Robert Albright, “Report Assails Government Centralization,” *Washington Post*, June 29, 1955, 1.

²⁰⁵ “On Disentangling Government,” *Los Angeles Times*, July 1, 1955, A4.

²⁰⁶ Aubrey Graves, “Soil Report Says Government Is Working at Cross Purposes,” *Washington Post*, June 29, 1955, 9; Nat Haseltine, “Health Fund Leeway Given,” *Washington Post*, June 29, 1955, 7.

Members of Congress quickly took action to respond to the new consensus. For the first time ever, the House Intergovernmental Relations Subcommittee, under the leadership Rep. Lawrence Fountain (D-NC), took up its own series of non-legislative investigations “federal–state–local relations.”²⁰⁷ In 1956, Fountain asked every federal agency to identify the recommendations made by the CIR that applied to it, to report any “resistance to “federal controls” it experienced; and to state its plan for addressing the recommendations and any legislation that would be required to improve intergovernmental cooperation. The results of the survey were published in a 776-page report, in which many departments attempted to demonstrate their own concerns for state control and argue that they were not responsible for duplication of tasks or needless waste.²⁰⁸ As the Department of Agriculture put it in its response to a Commission recommendation for improving State control of a cooperative program, “this trend has been under way for some years as exemplified by the transfer of a number of Department field stations to State control.”²⁰⁹ The department also provided a justification for disagreeing with the Commission’s recommendation for greater deference to the state policies and procedures:

Even though varying State laws and budgetary and fiscal management procedures may be quite adequate and satisfactory for intrastate purposes they may, and in some instances do, conflict to a degree with essential features of efficient operation and use of Federal funds appropriated for specific purposes. The Federal Government has an interest in and a responsibility for insuring that grant funds are used efficiently and for the purposes intended.²¹⁰

Overall, however, most agencies were not willing to take such strong stands against the Commission’s report. As Table 2.8 shows, the report revealed that Agriculture was more willing than most other agencies to dispute the Commission’s recommendations. Of the 139 recommendations agencies determined applied to them, they disputed only about 19 percent. Indeed, as the Agriculture case suggests, even when agencies did dissent, they were cautious to justify their good working relationships with state governments.

²⁰⁷ U.S. Congress, House of Representatives, Committee on Government Operations, Subcommittee on Intergovernmental Relations, Hearings on Federal–State–Local Relations: Federal Grants-in-Aid, 85th Cong., 2nd sess., 1–4.

²⁰⁸ U.S. Congress, House of Representatives, Committee on Government Operations, Subcommittee on Intergovernmental Relations, Staff Report on Replies from Federal Agencies to Questionnaires on Intergovernmental Relations, 84th Cong., 2nd sess.

²⁰⁹ *Ibid.*, 23.

²¹⁰ *Ibid.*, 24–25.

Table 2.8. Agency Responses to 1956 House Subcommittee Survey

<i>Agency Name</i>	<i>Number of Applicable Recommendations</i>	<i>Number (%) Agency Objected To</i>
Interior	5	5 (100%)
Agriculture	27	9 (33%)
Defense	3	1 (33%)
Veterans' Administration	3	1 (33%)
Labor	15	3 (20%)
Federal Power Commission	5	1 (20%)
Housing and Home Finance	10	2 (20%)
Civil Defense	8	1 (13%)
Health, Ed. and Welfare	38	3 (8%)
Commerce	16	1 (6%)
Atomic Energy Commission	1	0 (0%)
General Services	2	0 (0%)
Post Office	1	0 (0%)
Tennessee Valley Authority	3	0 (0%)
Treasury	2	0 (0%)
Total	139	27 (19%)

Source: Tabulated by author from U.S. Congress, House of Representatives, Committee on Government Operations, Subcommittee on Intergovernmental Relations, Staff Report on Replies to Questionnaire on Intergovernmental Relations, 84th Cong., 2nd sess.

The Subcommittee followed up with a second survey directed at governors, mayors, and county officials in all 50 states and twenty-one days of hearings in nine cities, generating more witnesses on the topic of intergovernmental relations than Congress had sworn in on the same topic between 1946 and 1955.²¹¹ The study and the hearings revealed “considerable agreement that the States should assume a larger role in the federal–state partnership.”²¹² While the Subcommittee agreed that federal grant-in-aid programs were “here to stay,” it argued that state officials believed that federal grants were supposed to accomplish the objective of “maintaining strong and effective state

²¹¹ U.S. Congress, House of Representatives, Committee on Government Operations, Subcommittee on Intergovernmental Relations, Hearings on Federal–State–Local Relations: Federal Grants-in-Aid, 85th Cong., 2nd sess., 5–7.

²¹² U.S. Congress, House of Representatives, Committee on Government Operations, Subcommittee on Intergovernmental Relations, Replies from State and Local Governments to Questionnaire on Intergovernmental Relations, 85th Cong., 1st sess., 1.

governments,” rather than carrying out federal priorities as such.²¹³ Governors also expressed the conviction that any transfer of authority to the states must “carry with it the availability of tax sources capable of replacing Federal aid.” Some witnesses went so far as to develop “a detailed plan for the complete assumption of present grant-aided programs” in exchange for the return of federal tax revenues.²¹⁴

Based on the survey, the Subcommittee made vague recommendations on increasing “flexibility” in federal grant-in-aid and requiring periodic congressional review and assessment of grant-in-aid programs.²¹⁵ More concretely, however, its report suggested the creation of a permanent advisory commission on intergovernmental relations to increase state governments’ influence on the design and implementation of federal grant-in-aid programs.²¹⁶ Beyond the Subcommittee’s recommendations, Sen. Barry Goldwater (R–AZ) gave extensive floor speeches that quoted at length from the CIR’s recommendations and introduced legislation that would have required all congressional committees to formally consider the views of state governors before passing any legislation with effects on the states; these views were to be enshrined as part of the committee’s bill reports.²¹⁷ For conservatives like Goldwater, the CIR’s work had helped to reframe what was a purely constitutional concept of limited federal authority into a flexible principle of federal forbearance and federal–state “cooperation,” fundamentally more appealing to policy elites.

Limited Coalition Building: The Joint Federal-State Action Committee

The Commission’s intergovernmental composition provided a model for building a reform coalition, but its short lifespan ensured that it was little more than a model. After the Commission’s termination in June of 1955, Eisenhower’s staff, which now included Kestnbaum, urged him to appeal to the Governor’s Conference for support. Eisenhower took the dais at the Conference’s 1957 meeting, urging governors to become advocates for reforms to the grant-in-aid system—relinquishing grants in exchange for greater unrestricted tax revenues. To sell the message, he applied the term “states’ rights” to the Commission’s new concept of federal forbearance:

I believe deeply in States’ rights. I believe that the preservation of our States as vigorous, powerful governmental units is essential to permanent individual freedom and the growth of our national strength. But it is idle to champion States’ rights without upholding States’ responsibilities as well. I believe that an objective reappraisal and reallocation of those responsibilities can lighten the hand of central authority, reinforce our State and local governments, and in the process strengthen all America. I believe we owe it to America to undertake that

²¹³ Ibid.

²¹⁴ Ibid.

²¹⁵ U.S. Congress, House of Representatives, Committee on Government Operations, Subcommittee on Intergovernmental Relations, Hearings on Federal–State–Local Relations: Federal Grants-in-Aid, 85th Cong., 2nd sess., 51–52.

²¹⁶ Ibid., 51.

²¹⁷ Ibid.

effort.²¹⁸

To undertake the effort, Eisenhower proposed that the governors establish a new Joint Federal–State Action Committee (JFSAC), with representation from governors and the administration itself. At Eisenhower’s urging, the JFSAC—chaired by Governors Lane Dwinell (R–NH) and Robert E. Smylie (R–ID)—was not to be another study group. Rather, it was to make concrete plans for “action” based on the CIR’s existing work, focusing specifically on designating tax and administrative functions capable of being assumed entirely by the states and identifying the federal and state revenue adjustments necessary to make these choices.²¹⁹ Most notably, the JFSAC proposed, and Eisenhower recommended to Congress, the release of 40 percent of the federally collected telephone tax to the states in exchange for state assumption of responsibilities in five key program areas, including vocational education and urban renewal. But the legislation was dead on arrival. Mayors angrily protested the recommendations to reduce urban renewal funding. And the JFSAC had done little to sell the proposal to skeptical members of Congress, whose members had been excluded from the discussions.²²⁰ Senator Frederick Payne (R–ME) complained: “I have strongly opposed unnecessary federal encroachment on states rights but the states do not all have the same economic resources or taxable property to enable them to all undertake the same kinds of programs.”²²¹

In the short term, however, the JFSAC failed to sustain the brokerage that the CIR had initiated. The organization’s narrow focus and failure to include relevant congressional stakeholders soon doomed its recommendations. Its concluding report cautioned that “to undo existing patterns is no easy matter” and urged future organizations to learn from the failures of this “demonstration project in intergovernmental relations” to secure support for its recommendations in Congress.²²²

In the long term, however the Committee’s failures did not undo the new ties between conservatives and the states. As William Anderson, a liberal political scientist appointed to the CIR by Hubert Humphrey later put it, “national associations of businessmen and taxpayers have had official allies in many governors’ mansions and state legislatures.”²²³ Their reasons for protest now “revolved around a number of related ideas: that there was coming to be too much government, too much centralization of power and functions in the national government; that the rights and the importance of the state governments were being reduced; and that local self-government was being

²¹⁸ Dwight D. Eisenhower, “Address to the 1957 Governors’ Conference, Williamsburg, Virginia,” June 24, 1957.

²¹⁹ JFSAC, Report to the President of the U.S. and to the Chairman of the Governors’ Conference (Washington, DC: GPO, 1957).

²²⁰ Wayne A. Clark, *A History of the Advisory Commission on Intergovernmental Relations* (Washington, DC: Advisory Commission on Intergovernmental Relations, 1985), 14.

²²¹ *Ibid.*

²²² JFSAC, Report to the President of the U.S. and to the Chairman of the Governors’ Conference (Washington, DC: GPO, 1960).

²²³ William Anderson, *The Nation and the States, Rivals or Partners?* (Minneapolis, MN: The University of Minnesota Press, 1957), 6.

destroyed.”²²⁴ If anything then, the JFSAC’s failure to reconcile these positions successfully only increased the pressure for a permanent commission on intergovernmental relations. At the urging of the new organization, governors from all fifty states testified in favor of creating such an organization. By 1960, JFSAC’s final report argued that the new Advisory Commission on Intergovernmental Relations would be a “logical outgrowth” of its work and a “major help in continuing job of the strengthening the federal system in this country.”²²⁵

Limited Development of Viable Policy Alternatives

Finally, the CIR had allowed policy entrepreneurs on its staff like George C.S. Benson, Roger Freeman, and Brooke Graves to begin to specialized knowledge to craft policy alternatives. As Freeman had worried, however, the Commission’s short lifespan made it difficult for them to adapt their alternatives to new political opportunities. Instead, they stored up their existing ideas for later use.

Prior to becoming staff director, George Benson’s only work on federalism, *The New Centralization*, was a normative critique of New Deal policies, which the *American Political Science Review* panned as a presentation “the standard arguments” against centralization, which “scarcely succeeds “in its avowed purpose, i.e. to present ‘new points of view to others.’”²²⁶ After the Commission, however, Benson now wrote tightly focused studies with titles like *National Aid to Higher Education* and *Consolidated Grants*, published by the American Enterprise Association and distributed to members of Congress.²²⁷ Benson would continue to gradually develop these ideas when he returned his post at Claremont Men’s College, but without the same kind of access he had as the CIR’s staff director.

Roger Freeman restlessly promoted the policy ideas he developed as a CIR staffer. In a 1955 report for the American Enterprise Association entitled *Federal Aid to Education, Boon or Bane?*, Freeman relied on his CIR data to suggest that federal taxation was crowding out state governments’ ability to raise revenues for education, that a number of states had untapped revenues, and that many administrators saw federal control as a possible problem.²²⁸ Putting these disparate facts together, Freeman concluded federal aid to education was necessary, yet insisted on a conservative alternative which focused on aggressively targeting funds to states that were truly incapable of meeting basic requirements for public provision and, wherever possible,

²²⁴ Ibid., 7.

²²⁵ JFSAC, Report to the President of the U.S. and to the Chairman of the Governors' Conference (Washington, DC: GPO, 1960), iv.

²²⁶ A.F. McDonald, Review of George C.S. Benson, *The New Centralization*, *American Political Science Review* 35 (October, 1941): 981.

²²⁷ George C.S. Benson and John Payne, *National Aid to Higher Education* (Washington, DC: American Enterprise Association, 1958); George C.S. Benson and Harold F. McClelland, *Consolidated Grants: A Means of Maintaining Fiscal Responsibility* (Washington, DC: American Enterprise Association, 1961).

²²⁸ Roger A. Freeman, *Federal Aid to Education, Boon or Bane?* (Washington, DC: American Enterprise Association, 1954).

restricting the ability of federal administrators to control the usage of these funds.²²⁹ Yet like Benson, Freeman retreated to the academy. As a researcher at the Hoover Institution, Freeman would remain highly attentive to issues of intergovernmental relations, but lacked the capacity he had as a CIR staffer to engage in resource-intensive studies.

Unlike Freeman and Benson, Brooke Graves retained access to inside knowledge about intergovernmental relations. This is because Graves, a former chair of Temple University's Political Science Department, was an employee of the Legislative Reference Service (LRS).²³⁰ Using a combination of CIR and LRS data, Graves wrote a 1957 report for the U.S. Chamber of Commerce entitled "The Coming Challenge in Federal-State Relations."²³¹ Rather than recommending policy solutions, however, Graves examined politics. He identified organizations that were clear "opponents of federalism" as well as suggestions for how to establish rapport with these organizations. The most numerous opponents, as Graves put it, were "special interest groups who cannot get or fear that the cannot get what they want under a federal system." These groups were,

not interested in philosophical questions relating to the form and structure of government. They want what they want and they intend to get it if they can without much regard for philosophical concepts of government, whether old or new. It is with the analysis of the proposals and attitudes of these groups that this paper is primarily concerned. It is to them that one must look for the principal opposition to the new program. What will be the points of attack? — the arguments used? — strategies employed? Which offers the greatest threat to the power and the prestige of the States?²³²

Graves submitted that it would not be easy to appease supporters of grants-in-aid unless it were possible to show that states could "effectively provide" new services better than the federal government had done. As such, he suggested that the Chamber consider focusing their efforts not on killing legislation that expanded the scope of federal authority, but on legislation that enlarged the role of state and local elected officials relative to bills introduced by Democrats, which favored policy specialists in the states that defended vigorously defended federal agencies. In the first session of the 85th Congress alone, he identified 52 pieces of legislation in which the role of the states could be expanded, often "by making additional revenues available to the states."²³³ This level of specialized knowledge is precisely what Benson, Freeman, and Graves hoped that permanent commission on intergovernmental relations could help them accumulate in the years to come.

²²⁹ Ibid.

²³⁰ W. Brooke Graves, *The Coming Challenge in Federal-State Relations* (Washington, D.C.: U.S. Chamber of Commerce, 1967),

²³¹ Ibid., 12–13.

²³² Ibid.

²³³ Ibid., 16.

Conclusion

Facing obstacles to major policy change, conservatives in the late 1940s did not simply resort to symbolic appeals to “states’ rights.” As CIR member William Anderson later put it, conservative elements within the Republican Party could not expect an immediate “roll back” of the New Deal. Rather, they were forced to “make an alliance with those state leaders—governors and others—who want to increase the importance of the states, even at the expense of the national government if that is necessary.”²³⁴

However natural this strategy may seem in retrospect, its success was not guaranteed. State government officials often disagreed internally about policy and national associations like the Governors’ Conference rarely mobilized for policy change in Congress. Nor were congressional conservatives necessarily predisposed to an alliance with state governments as such. Rather, their opposition to increasing federal control relied on an existing coalition of racial and economic conservatives, which mobilized in *reaction* to liberal proposals for expanded federal control. Moreover, economic conservatives were hardly eager to maintain federal funding for programs state officials preferred or to give states unfettered control of federal tax revenues, which they already believed were too high. Rather, the ideas and coalitions necessary for such an alliance emerged from the CIR itself.

The CIR was a conservative-led effort. In the late 1940s, conservatives placed the idea for the Commission on the table, and carried it to victory in 1953. The Commission’s study committees that generated its reports were also stacked with sympathetic members of business associations. Yet conservatives could not achieve success merely rehearsing proposals to scale back federal commitments. As evidence from Clarence Manion’s time as Chairman suggests, this strategy nearly doomed the organization’s credibility and influence. Nor could an organization that excluded congressional stakeholders, like the later JFSAC, expect to achieve much. Instead, the CIR was most successful when it generated new and relevant policy information, engaged in organizational brokerage, and acted as a niche for conservative policy entrepreneurs to develop their ideas.

Meyer Kestnbaum’s leadership on the Commission was critical in this effort. Kestnbaum’s position as a moderate Republican and his skill at directing the knowledge-production effort and identifying points of consensus among the Commission’s members made him an ideal “honest broker.” Yet Kestnbaum could have done little to craft a consensus without the CIR’s inclusion of multiple stakeholders and its capacity to compel the production of information of federal agencies. Nor is it likely that the Commission would have produced the recommendations it did without the interest and involvement of conservative policy entrepreneurs whose positions Kestnbaum helped to shape.

Though the CIR’s lifespan was short, making it difficult to sustain coalitions or

²³⁴ William Anderson, *The Nation and the States*, 9.

viable policy alternatives, the Commission made a lasting impact was on the framing of political debates about federalism. Of course, Republicans did not abandon their embrace of “states’ rights” as a slogan, nor did Southern Democrats simply admit defeat on federal control in the face of Supreme Court decisions like *Brown v. Board of Education*.²³⁵ Instead, conservatives now possessed a new “principled” basis for challenging federal “power grabs” and information about the policy failures associated with the centralization of federal authority that policymakers found useful. Armed with these tools, conservative policy entrepreneurs were better capable of pushing Democratic presidents, federal agencies and members of Congress onto the defensive. As the next chapter shows, by the time that Congress was considering a permanent replacement for the CIR, the landscape for reform had already begun to change in their favor.

²³⁵ Tom S. Clark, “The Separation of Powers, Court Curbing, and Judicial Legitimacy,” *American Journal of Political Science* 53 (4, 2009): 971–989.

Chapter Three

The ACIR and the Emergence of Conservative Policy Alternatives, 1958–1965

Accept if you will the assertion that this federal system does face a dilemma.
Laszlo Ecker-Racz (1964)¹

Since World War II, opposition, on principle, to increased national controls over state governments and to unlimited economic interventionism has been growing within this country. It is still not clear whether this new conservatism will become a long-run major political factor...On the whole, it seems unlikely, in view of strong pressure groups, that any existing grants will be abolished, but some rationalization of the existing situation may be worked out.

George C.S. Benson (1965)²

By 1960, conservative elites were grappling with the possibility of an increasingly activist federal government.³ In advance of the presidential election that year, the *National Review's* editors argued that though the “conservative values and attitudes are a permanent human heritage,” applying these attitudes must “by the nature of the case be related to the context of changing institutions, practical problems, and historical circumstances.”⁴

The intellectuals at the *Review* may have had time to ponder the answer to this question. But their allies in the electoral arena did not. While congressional conservatives had traditionally depended on a bipartisan coalition to limit the growth of an activist federal government, the 1958 elections resulted in major victories for liberal Democrats who would help to demolish the institutions that enabled obstructionism.⁵ As this chapter shows, conservative struggled on their own to develop policy alternatives that could undermine support for activist government. Maintaining coalitions to oppose major social reforms or to endorse constitutional amendments that limited their growth proved vexing, especially because constituencies of interest groups, policy specialists, and urban voters supported their creation and defended them once enacted. To generate the attention and

¹ L. Laszlo Ecker-Racz, “Federal-State Fiscal Imbalance: The Dilemma,” *Tax Executive* 17 (1964): 281.

² George C.S. Benson, “Trends in Intergovernmental Relations,” *The Annals of the American Academy of Political and Social Science* 359 (1, 1965): 1–9.

³ See, for example, Donald T. Critchlow, *The Conservative Ascendancy: How the GOP Right Made Political History* (Cambridge, MA: Harvard University Press, 2007), 44–76; Geoffrey Kabaservice, *Rule and Ruin: The Downfall of Moderation and the Destruction of the Republican Party, From Eisenhower to the Tea Party* (New York: Oxford University Press, 2012), 1–71; Mary Brennan, *Turning Right in the Sixties* (Chapel Hill, NC: University of North Carolina Press, 1995), 6–38.

⁴ “Time Out for Appraisal,” *National Review*, August 13, 1960, 69–70.

⁵ “Democrats Sweep 1958 Elections; Will Have 64 Senators, 283 Representatives, 35 Governors,” *Congressional Quarterly Almanac* 14 (1958): 11–713–716; See, among others, Jeffery A. Jenkins, and Nathan W. Monroe, “Negative Agenda Control and the Conservative Coalition in the US House,” *The Journal of Politics* 76 (4, 2014): 1116–1127.

interest necessary to create a permanent Advisory Commission on Intergovernmental Relations (ACIR), conservative policy entrepreneurs relied on the CIR's 1955 report to argue that permanent body would dramatically improve Congress's capacity to manage government in a complex "space age." By 1956, only Republicans had made the creation of such an organization a part of their platform. In Congress, the key policy entrepreneur was a Southern Democrat, Rep. Lawrence Fountain (D-NC).

Established in 1959, the ACIR soon developed and integrated capacities for producing information, brokering relationships with major stakeholders, and generating strategic knowledge about viable policy alternatives. First, its members adopted specific decision-making rules that required policy studies to be "actionable," and produced draft legislation to accompany reports. Professional staff, many of who had served in government agencies for years, also used technical studies and reference works to build the Commission's reputation with stakeholders and policymakers. Second, the Commission slowly became an exclusive venue where state and local officials and members of Congress deliberated about problems with federal grants-in-aid and to develop potential solutions. The ACIR's decision-making rules, moderate leadership, and permanent status also encouraged members to identify solutions of mutual interest over time. Third, the Commission's own insistence on studying new problems as they emerged rather than developing "once and for all" solutions made it a reservoir of knowledge about the technical aspects of intergovernmental relations and policy solutions that had the potential to generate reform coalitions.

For conservatives, the ACIR offered three unique resources for challenging liberal reforms. First, its reports helped them to rationalize their opposition to "big government," and give new principled reasons for opposing the creation of new federal agencies. This allowed congressional conservatives to escape charges of obstructionism and to highlight failures in liberals' approach to managing government. Second, the Commission's efforts at brokerage slowly gave way to broader coalitions supporting reform to federal grant-in-aid programs that undermined their traditional support coalitions. Conservatives introduced numerous bills copied from the ACIR's 1961 recommendation for an automatic five-year limit on all future federal grant-in-aid programs. While congressional liberals opposed this legislation initially, the ACIR's members aggressively sold the measure to state and local government officials by arguing that periodic termination would give them added leverage over federal agencies. Pushed onto the defensive, liberals embraced automatic termination proposals in 1965. Third, the ACIR's initial probes into alternatives to grants-in-aid, as well as its examination of the existing political support for these programs, helped conservatives to generate policy vehicles, including block grants, revenue sharing, and proposals for shared decision-making between state and local governments. While these proposals received little attention initially, yet they provided the basis for more extensive action in the years to come.

Importantly, though liberals could have ostensibly used the ACIR to advance their preferred policy solutions, this was unlikely in practice. In the midst of time-intensive policy activity elsewhere, liberals in the executive branch and Congress were less likely to exercise a strong influence on the ACIR's agenda, whereas conservatives and state and local officials made up a larger percentage of members and more frequently participated

in commission meetings. As a result, ACIR reports targeted liberal categorical programs for scrutiny and made recommendations that fundamentally undercut the interests of state and local bureaucrats and interest groups that supported these policies.

I. The Limits of Obstruction, 1955–1964

In the 1950s, a conservative coalition of Republicans and Southern Democrats in the House of Representatives blocked liberal policies sponsored by Nonsouthern Democrats.⁶ Some policies, especially pro-labor initiatives or those that increased the scope of federal regulation, made for an easy alliance on the floor.⁷ Yet others, especially the categorical grants-in-aid that many conservatives opposed, provided incentives for individual members of the coalition to defect.⁸ In these cases a key instrument of conservative-coalition strategy was the House Rules Committee, controlled by a majority of Southern Democrats like Howard W. Smith (D–VA) and Republicans like Rep. Joseph Martin (R–MA), which could prevent floor votes on bills that went against coalition interests, but might lead to defections on the floor.⁹ As Jeffrey Jenkins and Nathan Monroe suggest, between 1957 and 1960, the average proportion of conservative coalition “rolls”—bills that passed over the “nay” votes of at least a majority of Southern Democrats and Republicans—was less than one percent, lower than that of either major party.¹⁰

By the late 1950s, however, obstruction had already demonstrated three important limitations as a strategy. First, as conservatives realized in the 1930s, blocking legislation did little to undermine well-organized supporters of activist government. In the absence of strong administrative procedures or investigative hearings, executive agencies were able to conceal policy failures from the public, muffle interest-group criticism, and coordinate electoral activities.¹¹ Second, reining in federal programs meant doing more than keeping policy at the status quo. The U.S. Chamber of Commerce’s 1957 report on *The Coming Challenge in Federal–State Relations*, for example, identified nine programmatic areas (including vocational education, urban renewal and school

⁶ Nelson W. Polsby, *How Congress Evolves: Social Bases of Institutional Change* (New York: Oxford University Press, 2003), 7–30.

⁷ Ira Katznelson, Kim Geiger, and Daniel Kryder, “Limiting Liberalism: the Southern Veto in Congress, 1933–1950,” *Political Science Quarterly* 108 (2, 1993): 283–306.

⁸ *Ibid.*

⁹ Jeffrey A. Jenkins and Nathan W. Monroe, “Negative Agenda Control and the Conservative Coalition in the US House.”

¹⁰ *Ibid.*, 1122.

¹¹ Eric Schickler, and Kathryn Pearson, “Agenda Control, Majority Party Power, and the House Committee on Rules, 1937–52,” *Legislative Studies Quarterly* 34 (4, 2009): 455–491. As Schickler and Pearson suggest, conservatives sought to advance positive legislation like the Hatch Act, which constrained federal employees from engaging in political activity, and the Walter-Logan bill, which placed procedural controls on executive agencies. In the 1940s, conservatives also used the Rules Committee to launch investigations that embarrassed prominent New Deal agencies like the National Labor Relations Board or the Works Progress Administration.

construction) where the federal government should “return” power to the states.¹² Conservatives also believed that federal courts had become too expansive in their inference of congressional intent to preempt state authority and had violated Congress’s “right of investigation” by striking down state anti-sedition and segregation laws.¹³

Even more importantly, support for the Rules Committee began to erode in the late 1950s. In the 1958 elections, liberal Democrats won 48 Republican seats in the House.¹⁴ With a push from these new members, House Speaker Sam Rayburn (D–TX) built a coalition to “pack” the Rules Committee in 1961, expanding its size from 12 to 15 members.¹⁵ This move gradually undermined conservatives’ chokehold on legislation and allowed liberals to strike legislative bargains with Southern Democrats on issues like area redevelopment¹⁶ (which expanded the South’s economic gains), and an increase in the minimum wage (which excluded sectors that employed primarily African American workers).¹⁷ In the words of Minority Leader Rep. Charles Halleck (R–IN), the reform gave the “Northern Welfare State Wing” of the Democratic Party the ability to “rob taxpayers” and to expand federal power.¹⁸

Working to challenge an activist federal government through *positive* legislation also proved difficult for conservatives. One example of increasing barriers to conservative action is an effort spearheaded by Sen. William Jenner (R–IN) and Rep. Howard W. Smith (D–VA) to limit federal courts’ ability to strike down state laws on the basis of Congress’s intent to preempt state authority.¹⁹ These “court curbing” bills rose to prominence during the 85th Congress. With the support of House Republicans, Smith authored legislation that forbade the courts’ invalidation of state laws on a subject except Congress when had explicitly stated an intention to supersede state authority in that field.²⁰ In 1958, Smith’s bill (H.R. 3) had won passage in the House by a margin of 241–155, with Democrats split evenly between Northern and Southern delegations (100–109) and Republicans largely in favor (141–46).²¹ Its death in the Senate came only after a

¹² W. Brooke Graves, *The Coming Challenge in Federal-State Relations* (Washington, DC: U.S. Chamber of Commerce, 1957), 12–13.

¹³ “Federal Preemption Doctrine,” *Congressional Quarterly Almanac* 14 (1958): 9-289–9-292.

¹⁴ “Democrats Sweep 1958 Elections.”

¹⁵ Nelson W. Polsby, *How Congress Evolves: Social Bases of Institutional Change*, 31–35.

¹⁶ Gregory S. Wilson, *Communities Left Behind: The Area Redevelopment Administration, 1945–1965* (Knoxville, TN: University of Tennessee Press, 2009), 52. The administration choreographed Southerners’ defections from the conservative coalition opposition to 1961 area redevelopment legislation by placing authority for redevelopment in the Commerce Department, headed by Southern Democrat Luther Hodges and dramatically expanding the region’s economic gains. Southern Democrats had helped to sustain Eisenhower’s veto of area redevelopment legislation in 1960, which did not make such concessions.

¹⁷ Steven Douglas Womack, “Charles A. Halleck and the New Frontier: Political Opposition Through the Madisonian Model” (Ph.D. diss., Ball State University, 1980), 57–65; *Congressional Record*, 87th Cong., 1st sess., 4804.

¹⁸ Steven Douglas Womack, “Charles A. Halleck and the New Frontier,” 28.

¹⁹ S. 3745, 83rd Cong. (1954); S. 3143, 84th Cong. (1955); H.R. 3, 85th Cong. (1957).

²⁰ H.R. 3, 85th Cong. (1957).

²¹ “Court Voting Analysis,” *Congressional Quarterly Almanac* 14(1958): 9–292.

swift motion by Sen. John Carroll (D–CO) to recommit the bill to the Judiciary Committee, which narrowly passed (41–40).²²

As with efforts at obstruction, court-curbing initiatives were also hampered by the 1958 elections. While Smith’s legislation still passed the House in 1959, it did so by slimmer margins (225–192).²³ Once it reached the Senate, it failed to move beyond the Judiciary Committee, which failed to report the measure.²⁴ In the ensuing years, “court curbing” efforts would receive little legislative action; conservatives introduced nine bills on the preemption doctrine in the 85th Congress *alone*, yet only seven were introduced between the 87th and the 91st Congresses, collectively.²⁵

Though congressional conservatives would continue the strategy of obstruction into the early 1960s, weakening margins in Congress and rules changes made these efforts difficult to sustain. At the same time, however, conservative policy entrepreneurs were searching for a new means of undermining support for an activist federal government, by identifying policy problems and mobilizing new constituencies made up of elected officials at the state and local level to challenge liberal policies. Their efforts led not to direct policy reforms, however, but to the creation of a permanent commission on intergovernmental relations.

II. A New “Watchdog for Federalism”: Lawrence Fountain and the ACIR, 1956–1959

A key policy entrepreneur who helped to alter the course of conservatives’ approach to challenging an activist federal government was Rep. Lawrence H. Fountain (D–NC), the chair of the House Government Operations Committee’s Subcommittee on Intergovernmental Relations.²⁶ As Chapter 2 showed, it was under his leadership that the subcommittee took up an unprecedented twenty-one days of hearings around the country on “Federal–State–Local Relations” in 1956 and conducted major surveys on the conduct of federal agencies with respect to their state and local relationships.

While Fountain prided himself on being a congressional “watchdog”, keeping an eye on federal agencies, his pursuit of intergovernmental relations as a topic had as much to do with his own conservative ideological inclinations.²⁷ In 1956, he had signed the Southern Manifesto in protest of the Supreme Court’s decision in *Brown v. Board of Education* and voted in favor of “court curbing” bills aimed at preserving racial

²² Ibid.

²³ “Preemption Doctrine.”

²⁴ Ibid.

²⁵ This assertion is based on the author’s tabulation of bills on intergovernmental relations, collected in E. Scott Adler and John Wilkerson, *Congressional Bills Project: (1955–1969)*, NSF 00880066 and 00880061.

²⁶ Wayne A. Clark, *A History of the Advisory Commission on Intergovernmental Relations* (Washington, DC: Advisory Commission on Intergovernmental Relations, 1985), 16–19.

²⁷ See for instance “Education,” L.H. Fountain Papers, Subject Files, 1953–1982, Box 1, SHC, UNC. Fountain’s racial politics are captured in Beeman C. Patterson, “The three Rs Revisited: Redistricting, Race, and Representation in North Carolina,” *Phylon* 44 (3, 1983): 232–243.

segregation.²⁸ And in 1959, the *Congressional Quarterly* reported that Fountain supported the conservative coalition on 91 percent of the votes it analyzed, placing him among the most reliable conservatives in the House.²⁹

Fountain's racial sentiments on states' rights were well known, but his approach to policy entrepreneurship was subtler than some of his colleagues. During hearings, he emphasized that protecting states' rights was now synonymous with the "generally valid and widely accepted" findings of the CIR, that the federal government and the states should be "partners" rather than "competitors" for power.³⁰ Fountain's push for implementing the CIR's recommendations did not reflect the position of his party's leadership, who did not take action readily. Of the two major party platforms published in 1956, only the GOP's explicitly endorsed the CIR's recommendations.³¹ Fountain latched on to one recommendation in particular, and pushed for a 25-member permanent commission on intergovernmental relations, similar in design to the CIR, except with greater restrictions on the President's discretion in choosing members from state and local governments.³² He garnered support for his idea by staging hearings around the country and inviting public officials from nearly every state to testify about the importance of creating a permanent intergovernmental commission.³³ When questioning witnesses during these hearings, Fountain also pointed to the findings of certain unnamed "respected political scientists" who claimed that present trends in intergovernmental relations would make the states into "hollow shells" of authority and weaken federalism.³⁴

To build a broad coalition for the reform, Fountain enlisted the help of a moderate Republican, Rep. Florence Dwyer (R-NJ), and Delphis Goldberg, who had served as a staff member on the CIR and helped to structure the legislation and tap into networks of state and local officials who would support it.³⁵ The legislation that emerged was designed to appeal to multiple constituencies. To his fellow committee members, Fountain emphasized the weakness of congressional expertise on intergovernmental relations. While his own subcommittee could conduct modest oversight hearings, the new commission could solve "problems of a complex society in this space age" by promoting

²⁸ *Congressional Record*, 84th Cong., 2nd sess., 4459–4460.

²⁹ "Southern Democrats–GOP Won 71% of Test Votes," *Congressional Quarterly Almanac* 15 (1959): 154.

³⁰ U.S. Congress, Joint Hearings Before the Intergovernmental Relations Subcommittee of the House Committee on Government Operations and the Senate Government Operations, 86th Congress, 1st sess., June 16–22, 1959, 154.

³¹ "Republican Party Platform of 1956," August 20, 1956, available: <http://www.presidency.ucsb.edu/ws/?pid=25838>, accessed March 23, 2015; "Democratic Party Platform of 1956," August 13, 1956, available: <http://www.presidency.ucsb.edu/ws/?pid=29601>, accessed March 23, 2015.

³² Wayne A. Clark, *A History of the Advisory Commission on Intergovernmental Relations*, 20–22.

³³ See for example, U.S. Congress, House of Representatives, Committee on Government Operations, Subcommittee on Intergovernmental Relations, Hearings on Federal–State–Local Relations: Federal Grants-in-Aid, 85th Cong., 2nd sess.

³⁴ U.S. Congress, House of Representatives, Committee on Government Operations, Federal–State–Local Relations: State and Local Officials, 85th Cong., 1st sess., October 16–22, 1957, 464.

³⁵ Wayne A. Clark, *A History of the Advisory Commission on Intergovernmental Relations*, 20–22.

“general cooperation, understanding, and coordination of activities between the separate levels of government.”³⁶ To conservative governors, Fountain urged, “the stronger the State governments are within our country...the more difficult it would be for a would-be dictator to take over.”³⁷ And to proponents of fiscal discipline, he claimed that a new commission would be a “modest but constructive step” to sort out which budgetary responsibilities states could reasonably handle on their own.³⁸ These multiple arguments were captured in Fountain’s legislation, which stated six general purposes for the new commission:

1. Bring together representatives of the Federal, State, and local governments for the consideration of common problems;
2. Provide a forum for discussing the administration and coordination of federal grant and other programs requiring intergovernmental cooperation;
3. Give critical attention to the conditions and controls involved in the administration of Federal grant programs;
4. Make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system;
5. Encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation; and
6. Recommend, within the framework of the Constitution, the most desirable allocation of governmental functions and responsibilities among the several levels of government.³⁹

By the time that Fountain had introduced his legislation creating the Advisory Commission on Intergovernmental Relations in May of 1959, he had begun to portray creating the organization as an inevitable move from which there was “no escape” and for which the “alternative of doing nothing” was unthinkable.⁴⁰ To the extent that this was true, it was largely because no two rationales for creating the Commission were identical. While Northern Democrats did not actively support the new Commission, it gained leverage with former state officials who had been elected to Congress. Assigned to the Senate Government Operations Committee, newly elected Senator Edmund Muskie (D-ME), Maine’s former governor, established his bona fides by introducing a measure identical to Fountain’s in the Senate, arguing that the Commission would help to help to

³⁶ U.S. Congress, Joint Hearings Before the Intergovernmental Relations Subcommittee of the House Committee on Government Operations and the Senate Government Operations, To Establish an Advisory Commission on Intergovernmental Relations, 86th Cong., 1st sess., June 16–22, 1959, 7.

³⁷ U.S. Congress, House of Representatives, Committee on Government Operations, Subcommittee on Intergovernmental Relations, Hearings on Federal–State–Local Relations: State and Local Officials, 85th Cong., 1st sess., October 16–22, 1957, 262

³⁸ *Congressional Record*, 86th Cong., 1st sess., 7563.

³⁹ H.R. 6904, 86th Cong (1959).

⁴⁰ *Congressional Record*, 86th Cong., 1st sess., 16055.

improve weaknesses in the structure of grants-in-aid “on the whole.”⁴¹ Legislative hearings also proved influential. Rep. Neal Smith (D-IA) argued that he had been “skeptical” of the proposal but after hearing testimony from governors, city planners, and city officials, he felt that it would help to preserve the “true prerogatives of the state and local governments.”⁴² Even the AFL-CIO found value in a Commission, recognizing that “practices of all governments—like those of all other human institutions—can quickly become outdated and inefficient” and urged the organization to help government to “readjust to changing needs.”⁴³

Conservatives, by contrast, endorsed the Commission’s potential policing of federal overreach and exorbitant federal spending. Senator Strom Thurmond (D-SC) argued that the Commission would help to protect the “separation of rights” between federal and state governments.⁴⁴ Alternatively, Rep. Robert Michel (R-IL) pointed to concrete examples of where an intergovernmental commission could have helped ameliorate deficiencies in the Highway Trust Fund that had created pressure for tax increases.⁴⁵ Even so, one of the bill’s chief sponsors, Rep. Florence Dwyer (R-NJ) assured liberals in the House that the Commission’s goal would be “neither to extend grants-in-aid nor to restrict them.” Instead, it was an “experimental” new undertaking, unique in that it allowed “representatives from all levels of government to help work out their own problems and improve mutual understanding and cooperation.”⁴⁶

The only sustained criticism of Fountain’s plan during committee hearings came from Maurice Stans, Eisenhower’s Budget Director. Stans wrote to Fountain that the bill did not provide sufficient discretion to the President to choose his preferred governors, state legislators, mayors, and county officials.⁴⁷ Rather, it required him to choose from panels of individuals pre-selected by the National Governors’ Conference, the Council of State Governments, U.S. Conference of Mayors, American Municipal Association, and the National Association of County Officials.⁴⁸ Yet Stans only informed Fountain of this in writing, and did not appear before the Subcommittee to oppose the legislation.⁴⁹ As a minor sop to the administration, Fountain’s subcommittee revised the bill to allow the President, rather than the members, to choose the Commission’s chairman.⁵⁰

Fountain’s sustained effort at emphasizing the multiple faces of the ACIR paid

⁴¹ *Congressional Record*, 86th Cong., 1st sess., 8734. Don Nicoll, Oral History Interview, July 7, 1998, EMA, Bates, 8–9.

⁴² *Congressional Record*, 86th Cong., 1st sess., 16063.

⁴³ U.S. Congress, Joint Hearings Before the Intergovernmental Relations Subcommittee of the House Committee on Government Operations and the Senate Government Operations, To Establish an Advisory Commission on Intergovernmental Relations, 86th Cong., 1st sess., June 16–22, 1959, 204.

⁴⁴ *Congressional Record*, 86th Cong., 1st sess., 18943–18944.

⁴⁵ *Congressional Record*, 86th Cong., 1st sess., 16063.

⁴⁶ *Congressional Record*, 86th Cong., 1st sess., 16062.

⁴⁷ U.S. Congress, Joint Hearings Before the Intergovernmental Relations Subcommittee of the House Committee on Government Operations and the Senate Government Operations, To Establish an Advisory Commission on Intergovernmental Relations, 86th Cong., 1st sess., June 16–22, 1959, 206.

⁴⁸ *Ibid.*

⁴⁹ *Ibid.*

⁵⁰ Wayne A. Clark, *A History of the Advisory Commission on Intergovernmental Relations*, 20–22.

off. By mid-September 1959, both House and Senate had passed Fountain’s legislation.⁵¹ On the floor, the only opposition encountered was from a small handful of fiscally conservative Republicans led by Rep. Harold Gross (R-IA), opposed on principle to the creation of any new government commissions.⁵² Yet this minor faction proved little trouble, especially given support from party members like Michel, who argued that creating the new Commission was “very important, particularly to those members of this body who, like myself, have very strong feelings relative to whether or not we think this should be a big, strong central government or whether we regard it as more or less a loose confederation of States.”⁵³ Accordingly, the legislation passed the House comfortably (335–31) and required only minor adjustments before being sent to Eisenhower’s desk.⁵⁴

The ACIR was thus a “political innovation,” as the House Committee Report put it, in more ways than one.⁵⁵ Its multiple purposes had allowed Fountain to build a broader consensus among conservatives, defenders of congressional prerogatives, and members with strong ties to state and local officials. Thus while conservatives’ interests in challenging existing edifice of liberal policies remained, the organization’s permanent multi-level structure gave conservatives an opportunity to build alliances with other stakeholders interested in “changing problems encountered in our Federal form of government.”⁵⁶ As Table 3.1 shows, the final version of the legislation formalized the structure of the earlier CIR, with a majority of 14 local officials appointed by the President from lists prepared by state and local government organizations, as well as 6 members of Congress, 3 officials from the executive branch, and 3 presidentially appointed private citizens. The next section suggests that the Commission, in part because of its multi-level structure, allowed conservatives to promote more viable policy innovations of their own, by generating new information about intergovernmental problems, brokering ties with state and local officials, and allowing for the development of strategic knowledge.

Table 3.1. Composition of the Advisory Commission on Intergovernmental Relations

<i>Members</i>	<i>Appointed by</i>	<i>Bipartisanship Requirement?</i>
3 Representatives	Speaker of the House	Yes
3 Senators	President of Senate	Yes

⁵¹ “Federal-State Commission,” *CQ Almanac* 15 (1959): 09-256.

⁵² *Congressional Record*, 86th Cong., 1st sess., 16063.

⁵³ *Ibid.*

⁵⁴ “Federal-State Commission.”

⁵⁵ *Congressional Record*, 86th Cong., 1st sess., 16055.

⁵⁶ *Ibid.*

3 Executive Branch	President	No
3 Private Citizens	President	No
4 Governors	President from panel of 8 submitted by Governors' Conference	Yes
3 State Legislators	President from panel of 6 selected by Council of State Governments	Yes
4 Mayors	President from panel of 8 selected by U.S. Conference of Mayors and American Municipal Association	Yes
3 Elected County Officials	President from panel of 6 submitted by National Association of County Officials	Yes

Source: P.L. 86-380.

III. From Watchdog to Reformer: Information, Brokerage, and Strategic Knowledge at the ACIR

Like the commission that had preceded it, the ACIR had conservative roots. Yet as this section shows, its capacity for producing information, organizational brokerage, and strategic knowledge more readily led conservatives away from purely ideological politics and towards new policy alternatives. First, relying on moderate leaders and a professional staff well versed in the politics of intergovernmental relations, the ACIR's research program focused only on those subjects that they believed would generate immediate action, both in Congress and at the sub-national level. They complemented these reports with draft legislation that could be immediately introduced in Congress. In addition to these timely policy reports, the ACIR's professional staff generated informational volumes compiling government statistics and developing new social and economic indicators—such as indices of state fiscal capacity—that could inform policy debates and provide a basis for stakeholder negotiations that would not have otherwise existed.

Second, the Commission slowly developed better brokerage capabilities than its predecessor. ACIR's authorizing legislation mandated that it be a permanent organization with representation from three levels of government, including members of Congress who could introduce the legislation that the ACIR developed. As its research program got underway, the Commission also became the exclusive venue where state and local officials and members of Congress deliberated about problems with federal grants-in-aid and to develop potential solutions, and gradually earned the support of state and local

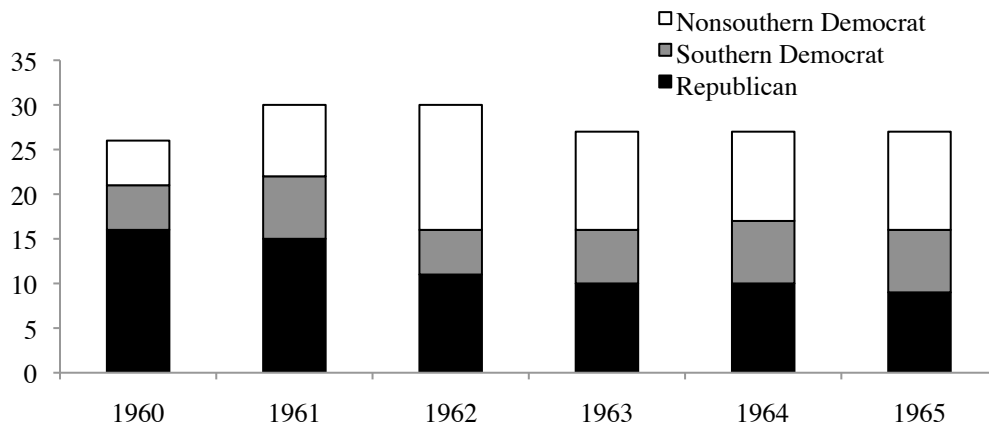
governments through producing model legislation to deal with pressing policy problems. The ACIR’s decision-making rules and moderate leadership also reinforced its capacity to produce information that was of value to multiple stakeholders and strategic knowledge that policy entrepreneurs could use. As a permanent organization, members could also afford to dissent and disagree without the fear of jeopardizing the entire enterprise.

Finally, the ACIR slowly came to be a reservoir of strategic knowledge, not only about the technical aspects of intergovernmental relations, but also about policy solutions that had the potential to net reform coalitions. While the organization ramped up its research agenda on alternatives to federal grant-in-aid programs slowly, its mandate to study problems with federal “control” of state and local governments eventually took center stage. Conservative policy entrepreneurs like Roger Freeman and George C.S. Benson now relied on Commission studies in preparing draft legislation and in advising partisan and interest-group leaders. By generating strategic knowledge, the ACIR reinforced its brokerage capacity and the value of its information by proving to key stakeholders like state and local governments and business associations that ACIR recommendations resulted in viable reforms.

Building a Research Program

The ACIR’s enacting legislation had created a multi-level, bipartisan research organization. Yet, like the body that created it, the ACIR’s bipartisanship was weighted heavily in favor of the conservative coalition of Southern Democrats and Republicans during the years in which it planned its initial research program. As Figure 3.1 shows, Southern Democrats and Republicans outnumbered Nonsouthern Democrats all but one year between 1960 and 1965.

Figure 3.1. Commission Members by Party Affiliation, 1960–1965



Source: Author’s Coding of ACIR Annual Reports, 1960–1965.

This division initially led to hot debate over the ACIR’s research program at the organization’s second meeting. Liberals like Governor Abraham Ribicoff (D–CT) argued

that the Commission should be an “action group,” designed to promote new and better federal policies.⁵⁷ By contrast, conservatives like Sen. Karl Mundt (R–SD) and Governor Ernest “Fritz” Hollings (D–SC) argued that the Commission be “committed to broad principles that rejected the concentration of power in the central government.”⁵⁸ In the end, the Commission’s members voted to strike such clear articulations of its mission. Instead, they interpreted its enacting legislation to require study and recommendation on policy problems “the amelioration of which in the Commission’s view would enhance cooperation among the different levels of government and thereby improve the effectiveness of government as established by the Constitution.”⁵⁹

The ACIR’s experienced, moderate leaders were critical to pushing the discussion past ideological divisions and focusing on concrete research tasks. Frank Bane, the man Eisenhower appointed as chairman, had been executive director of the Social Security Board and was well known to governors and state legislators from his time as director of research for the Council on State Governments.⁶⁰ William Colman, chosen by the Commission to direct the research staff, had served on the staff of the CIR between 1953 and 1955 and had distinguished himself as an assistant to the director of the National Science Foundation.⁶¹ As Table 3.2 shows, the professional staff’s leadership all had extensive prior experience in government research ranging from Allen Manvel’s intricate data-gathering efforts at the Census Bureau to Melvin Sneed’s up-close examinations of lawmaking on the Senate Committee on Labor and Public Welfare.

Table 3.2 ACIR Professional Staff and Relevant Work History, 1961–1965

<i>Name</i>	<i>Years Served</i>	<i>Relevant Work History</i>
William Colman (Executive Director)	1961–1969	Commission on Intergovernmental Relations, 1953–1955
Allen Manvel (Assistant Director, Metropolitan Areas)	1961–1964	Director of Governments Division, Census Bureau
L. Laszlo Ecker-Racz	1961–1966	Director of Tax Advisory Staff, Department of Treasury, 1949–1953

⁵⁷ Wayne A. Clark, *A History of the Advisory Commission on Intergovernmental Relations*, 32–33.

⁵⁸ *Ibid.*

⁵⁹ *Ibid.*

⁶⁰ *Ibid.*, 30–31. William G. Colman, “The Role of the Federal Government in the Design and Administration of Intergovernmental Programs,” *The Annals of the American Academy of Political and Social Science* 359 (1, 1965): 23–34; Frank Bane, “An Uncharted Sea,” *National Civic Review* 49 (3, 1960): 118–149.

⁶¹ Reports by Frank Bane on the Advisory Commission on Intergovernmental Relations, Box 16, Frank Bane Papers, UVA.

(Assistant Director
Taxation and Finance)

Melvin Sneed (Assistant
Director, Governmental
Structure and Function)

1963–1964

Legislative Staff, U.S. Senate Committee on
Labor and Public Welfare

Norman Beckman
(Assistant Director,
Governmental Structure
and Function)

1964–1965

Bureau of Budget, Urban Affairs Specialist

Source: ACIR, 1st-6th Annual Reports (Washington, DC: GPO, 1960–1965).

Under the leadership of Bane and Colman, and with the support of professional staff, the Commission's congressional and presidential appointees developed a distinctive approach to calibrating their studies to match political possibilities. Importantly, members adopted a formal set of rules for choosing subjects of study and building a research program that would maximize the Commission's usefulness to members of Congress and to state and local officials.⁶² By 1961, the organization publicly adopted three criteria for deciding how to conduct policy research:

1. The relative importance and urgency of the problem and the degree to which it pervades all or most levels of government, and the degree to which it impinges upon the effective operation of our federal system.
2. The manageability of the problem in terms of time, money, and talent available for its study.
3. The relative possibility of practical accomplishments and improvements flowing from the results of the study.⁶³

In other words, the Commission chose the subjects its members felt were especially important but avoided dealing with problems its members felt were too intractable or outside the scope of its mission. For instance, at its January, 1961 meeting, the Commission rejected a proposal to examine higher education policies—deemed to be too far outside the scope of its objectives—in favor of a study on statutory and administrative controls in federal grant-in-aid programs.⁶⁴ As the random sample of titles in the top panel of Table 3.3 shows, in the first years of the ACIR's life the organization

⁶² Reports by Frank Bane on the Advisory Commission on Intergovernmental Relations, Box 16, Frank Bane Papers, UVA.

⁶³ ACIR, Second Annual Report (Washington, DC: GPO, 1961), 5.

⁶⁴ ACIR Meeting Minutes, January-December 1961, Edmund Muskie Papers, Box 34, Series V: U.S. Senate, Subseries A. Washington Office 1935-1981, EMA, Bates.

produced policy reports on subjects that had largely been examined in the past—including the potential for eliminating controls on federal grants-in-aid, issues of overlapping federal and state taxes, and the potential for periodically re-evaluating and terminating federal grants-in-aid. It also focused on new issues of special interest to state and local governments that it believed were tractable, including approaches to improving fiscal capacity.

Table 3.3. Commission Studies, 1961–1965

(a) Random Sample of Commission Study Titles

Year	Title
1961	<i>Modification of Federal Grants-in-Aid for Public Health Services</i>
1961	<i>Investment of Idle Cash Balances by State and Local Governments</i>
1962	<i>Apportionment of State Legislatures</i>
1962	<i>State Constitutional and Statutory Restrictions on Local Government</i>
1963	<i>The Role of States in Strengthening Property Tax Statutory and Administrative Controls Associated With Federal Grants for</i>
1964	<i>Public Assistance</i>
1964	<i>Intergovernmental Aspects of Documentary Taxes</i>

(b) Focus of Commission Policy Reports, 1961–1965

	<i>Level Where Report Identifies Opportunity for Reform</i>			<u>Total</u>
	<u>Local</u>	<u>State</u>	<u>Federal</u>	
1961	4	6	6	8
1962	5	6	2	7
1963	1	3	2	3
1964	1	1	3	3
1965	1	5	4	5
Total (N)	12	21	17	26
Total %	46%	81%	65%	100%

Source: Coded by author from ACIR Annual Reports, 1961–1965.

As the bottom panel of Table 3.3 suggests, these policy reports tended to target their attention to issues on which both Congress and the states could take action. In April of 1961, the Commission adopted a 44-page report on *Periodic Congressional Reassessment of Federal Grants-in-Aid to State and Local Governments*, which focused on “the difficulty encountered in terminating financial grants-in-aid to the states” and “comparable difficulties in redirecting the grant in order to reflect changed conditions.”⁶⁵ Drawing on data from the Bureau of the Budget, the report exposed that only a small handful of grant programs that had been terminated by Congress, a list it called

⁶⁵ ACIR, *Periodic Reassessment of Federal Grants-in-Aid to State and Local Governments* (Washington, DC: GPO, 1961), 18.

“unimpressive.”⁶⁶ Though many existing grants had become “an important and established feature of the Federal system of government,” the report argued that the grant system tended only towards expansion—without regard to performance or value. The reason it gave for this pattern was that bureaucratic and policy interests developed stakes in the existing system and were concerned only with narrowly defined goals rather than the system’s performance as a whole. As the report put it:

Subject matter staffs are created or expanded at National, State, and local levels of government for the purpose of administering the program. Aside from any instincts of organizational self-preservation, which may exist, these staffs, if they are competent and conscientious, acquire a sense of mission with respect to their particular program. Being responsible for a specific program or function they are not especially concerned with general problems of intergovernmental fiscal relations across-the-board. Consequently, their recommendations for change are in the direction of expansion rather than contraction.⁶⁷

While it did not mention the identity of “subject matter experts” explicitly, the report was referring to members of professional associations, liberal interest groups, and bureaucrats at all levels of government who acted staunch defenders for categorical programs and were “averse to seeing a particular grant reduced or eliminated with the consequent necessity of diverting State or local funds to continue the function at the existing level.”⁶⁸ The end product, the report surmised, was that Congress lacked the incentive to terminate programs whose purpose had been adequately served or to redirect programs toward “newer and more urgent problems.” Rather, funding levels expanded and program goals either stayed constant or were solved in an “additive” rather than “substitutive” way—with new grants being layered on top of the old.⁶⁹

This new information reinforced the ACIR’s capacity for generating strategic knowledge about policy alternatives. Given that the problem was one of entrenched policy specialists, the ACIR identified a remedy that appealed to conservatives in Congress and generalist elected officials while avoiding the ire of existing program beneficiaries. It concluded with a draft bill mandating termination of new grant programs, rather than existing ones, five years after they began requiring congressional committees to reappraise and reauthorize the programs consistent with “the extent to which their purposes...have been met,” whether states or political subdivisions could carry them on without further assistance, and whether any changes were required.⁷⁰ This savvy report, like many the ACIR produced in the early 1960s, was designed for swift political action.

Information also cemented the Commission’s value to stakeholders. With a full-time staff of twenty researchers and over twenty external consultants, the ACIR began to

⁶⁶ Ibid.

⁶⁷ Ibid., 21.

⁶⁸ Ibid.

⁶⁹ Ibid., 22.

⁷⁰ Ibid., 26.

produce a library of ten major reference works, including guides to sources of official federal statistics, indices of recent changes in state tax laws, and reports mapping out the growth in taxation at the federal, state, and local level—all of which could be kept at the ready by legislative aides, social scientists and lobbying organizations.⁷¹ As part of this effort, the Commission used reports like *Measures of State and Local Fiscal Capacity and Tax Effort* (1962) to develop new economic indicators that reflected its unique understanding of intergovernmental fiscal problems.⁷² *Measures* argued that, given dramatic increases in federal grants-in-aid to the states on the basis of relative state fiscal capacity, it was time to reassess the traditional means of measuring state tax effort.⁷³

Whereas federal grant formulae typically used per-capita income to establish fiscal capacity, *Measures* argued for a new method that calculated “taxable capacity” by applying average rates of taxation on fifteen source of taxation available in more than half the states (e.g. property, sales, tobacco, and liquor).⁷⁴ The report referred to this measure as the Representative Tax System (RTS), because it reflected a better picture of the “politically acceptable here and now” in all fifty states.⁷⁵ Using the RTS rather than per-capita income statistics revealed massive untapped sources of “taxable capacity,” especially in the Midwest, Southwest, and Rocky Mountain states.⁷⁶ By contrast, the RTS revealed a previously undisclosed *lack* of fiscal capacity in New England and in states like New York and Pennsylvania. While it drew no specific conclusions from this new measure, the report argued that the RTS would be of use not only to the architects of grant-in-aid programs, but to state and local officials looking to tap new sources of revenue, and to “citizens’ groups concerned with types and levels of taxation.”⁷⁷

In addition to publishing the ACIR’s official studies, moderate professional staffers personally distributed condensed versions of their reports to members of Congress, drafted model legislation embodying their recommendations, and secured support for their findings from major interest groups and congressional committee staffers.⁷⁸ Commission staff also made a name for themselves in academic journals like *Annals of the American Academy of Political and Social Science* and the publications of policy professionals like the *National Civic Review*.⁷⁹ Often, their publications had a

⁷¹ ACIR, Second Annual Report (Washington, DC: GPO), Third Annual Report (Washington, DC: GPO, 1962); ACIR, Fourth Annual Report (Washington, DC: GPO, 1963); ACIR, Fifth Annual Report (Washington, DC: GPO, 1964); ACIR, Sixth Annual Report (Washington, DC: GPO, 1965).

⁷² ACIR, *Measures of State and Local Fiscal Capacity and Tax Effort* (Washington, DC: GPO, 1962).

⁷³ *Ibid.*, 87–91.

⁷⁴ *Ibid.*, 31–52.

⁷⁵ *Ibid.*, 34.

⁷⁶ *Ibid.*, 53–67.

⁷⁷ *Ibid.*, 4.

⁷⁸ See, for example, ACIR, *Summary of Modification of Federal Grants-in-Aid for Public Health Services* (Washington, DC: GPO, 1961); See also Reports by Frank Bane on the Advisory Commission on Intergovernmental Relations.

⁷⁹ Frank Bane, “Overlapping Taxes,” *Tax Executive* 15 (1, 1962): 17; Allen D. Manvel, “Financing Local Government in the 1960s: Past Trends and Future Prospects,” *Proceedings of the Annual Conference on Taxation* (Washington, DC: National Tax Association), 274–281; William G. Colman, “The Role of the Federal Government in the Design and Administration of Intergovernmental Programs,” *Annals of the*

reformist bent. In 1964, Laszlo Ecker-Racz published a talk in *Tax Executive*, which used Commission-generated data to argue that the “bounties” of taxation were growing “progressively more national,” while the burdens grew “progressively more local.”⁸⁰ Yet the remedies to this situation, he cautioned, required his conservative audience to be realistic about what was required to “bridge the State-local revenue gap.” Saving the states, he claimed, required abandoning the “political philosophy” of federalism and “forcing the states to be free,” either by agreeing to relieve states of some responsibilities, in part by supporting block grants or revenue-sharing measures. Ecker-Racz closed the talk by exclaiming “you take it from here!”⁸¹ Whether or not he knew it, conservative policy entrepreneurs were listening.

The Emergence of Organizational Brokerage

In addition to filtering relevant information to policymakers, the ACIR provided a single site in which conservatives could broker relationships with stakeholders who supported reforms federal grant-in-aid programs, though often for non-ideological reasons. First, the ACIR’s enacting legislation formalized the CIR’s multi-level structure. Unlike congressional committees, it included state and local officials directly in the process of policy formulation. As a result, ACIR studies often generated—rather than responded to—congressional hearings on intergovernmental relations.⁸² More importantly, unlike associations of state and local officials, the ACIR included members of Congress, and was devoted almost entirely to addressing issues of federal-state relations. While national associations of state and local governments provided forums for policy debate and discussion, they often focused their attention on problems that could be solved either with the action of individual states or through “horizontal” coordination between states. The focus of these organizations was, as one member of the Council of State Governments (CSG) put it, “reciprocal legislation, uniform laws, interstate compacts and administrative agreements” which could be employed to handle new policy problems “as they arise.”⁸³

American Academy of Political and Social Science 359 (1, 1965): 23–34; William G. Colman, “Old Neglect Subsiding?,” *National Civic Review* 53 (1, 1964): 10–13; Arthur Naftalin, “Intergovernmental Tax Relations: A Progress Report from the Advisory Commission on Intergovernmental Relations,” *Proceedings of the Annual Conference on Taxation* (Washington, DC: National Tax Association, 1963), 99–111; Norman Beckman, “The Planner as a Bureaucrat,” *Journal of the American Institute of Planners* 30 (4, 1964): 323–327; Norman Beckman and Marjorie Cahn Brazer, “Governments Galore,” *National Civic Review* 52 (3, 1963): 132–138; Norman Beckman, “Our Federal System and Urban Development the Adaptation of form to Function,” *Journal of the American Institute of Planners* 29 (3, 1963): 152–167; Norman Beckman, “Politics and Administration of Plan Implementation,” *Highway Research Record* 102 (1965): 1–10; Selma J. Mushkin, “Barriers to a System of Federal Grants-in-Aid,” *National Tax Journal* 13 (3, 1960): 193–218;

⁸⁰ L. Laszlo Ecker-Racz, “Federal-State Fiscal Imbalance: The Dilemma,” *Tax Executive* 17 (1964): 281–289.

⁸¹ *Ibid.*, 289.

⁸² Wayne A. Clark, *A History of the Advisory Commission on Intergovernmental Relations*, 31–50.

⁸³ Herbert Wiltsee, “Organization and Work of the Council of State Governments,” *American Bar Association Journal* 39 (5, 1953): 418.

Though the CSG had lobbied Congress and had even assisted in the production of the Hoover Commission’s report on intergovernmental relations, the centerpiece of its work was on drafting model state legislation and diffusing new ideas among the states. As the top panel of Table 3.4 shows, of 97 policy reports released by the CSG between 1950 and 1965, only five dealt specifically with issues of federal-state relations, fiscal or otherwise, and only seven concerned state fiscal issues. By contrast, 13 reports focused on interstate compacts and 72 concerned individual state policy choices in areas such as mental health, aging, juvenile delinquency, and the regulation of lobbyists. And while the Governors’ Conference did discuss issues of federal grants-in-aid, they composed only a small share of the Conference’s activity. Between 1943 and 1952, only seven of the Conference’s 99 resolutions concerned federal grants-in-aid. Between 1953 and 1962, only 15 of 121 resolutions did the same.

Table 3.4. Issue Attention in State Government Organization
(a). Topics of Policy Reports by the Council of State Governments, 1950–1965

	<i>State Fiscal Issues (No Federal– State Dimension)</i>	<i>Interstate Compacts or Coordination</i>	<i>Federal– State Relations</i>	<i>Individual State Policies</i>	<i>Total</i>
1950–1954	2 (7%)	1 (4%)	1 (4%)	23 (85%)	27
1955–1959	4 (9%)	8 (19%)	3 (7%)	28 (65%)	43
1960–1965	1 (4%)	4 (15%)	1 (4%)	21 (78%)	27
Total	7 (7%)	13 (13%)	5 (5%)	72 (74%)	97

**(b). Governors’ Conference Resolutions on Federal Grants-in-Aid,
1943–1962**

	<i>Number (%) of Resolutions on Federal Grants-in-aid</i>	<i>Total Resolutions</i>
1943–1952	7 (19%)	99
1953–1962	15 (12%)	121

Source: Coded by author from Council of State Governments, *Book of the States*, 1950–1965; National Governors’ Conference, *Proceedings*, 1943–162.

Second, the ACIR was an ideal forum for deliberating over federal grant-in-aid programs because by 1961, prior federal-state commissions such as the CIR and JFSAC had played the same role, minimizing the need for extensive deliberation by state and local organizations. As intergovernmental-relations expert Deil S. Wright put it in 1965, the ACIR had a “macro-view of the federal system” that could characterize no other organization, one which provided for unique access for state and local governments to

both the legislative and executive branches at the federal level.⁸⁴ The ACIR’s leadership also visited countless meetings of state and local officials to gain a sense of fruitful areas of research. State officials largely appreciated these measures; as one unnamed official put it in an interview with Deil Wright: “Now that we have seen what the Commission can do, if we didn’t have one we would create it.”⁸⁵ One index of the relative importance of federal-state commissions for deliberating on these issues can be found in the CSG’s bi-annual *Book of the States*, each issue of which reported on intergovernmental fiscal affairs. For every year between 1950 and 1965, Table 3.5 identifies whether or not *The Book of the States* mentions issues of intergovernmental relations as being discussed or debated by Congress, the CIR, JFSAC, and the ACIR, or by state-based organizations such as the Governors’ Conference, and the CSG itself. Across eight volumes, state organizations are only mentioned as considering intergovernmental issues in one (1952–1953). By contrast, Congress or federal-state commissions are mentioned in all but two volumes.

Table 3.5. Discussions of Federal Grants-in-Aid Mentioned in *The Book of the States*, 1950–1965

	<i>Discussed by Federal-State Body</i>	<i>Discussed by CSG, Governors’ Conference, or Other State Body</i>
1950–1951		X
1952–1953		
1954–1955	X	
1956–1957	X	
1958–1959	X	
1960–1961	X	
1962–1963	X	
1964–1965	X	

Source: Council of State Governments, *Book of the States*, 1950–1965.

Access to new policy expertise and the ability to deliberate with federal policymakers drew state and local officials to ACIR meetings at a rate that was disproportionately higher than their colleagues. As Figure 3.2 shows, state and local officials had consistently high attendance, nearly always above 60 percent. While congressional leaders also appeared at commission meetings, the frequency of their attendance fluctuated considerably as the result of election cycles and legislative calendars.⁸⁶ Executive branch officials, by contrast, appear to have displayed a low

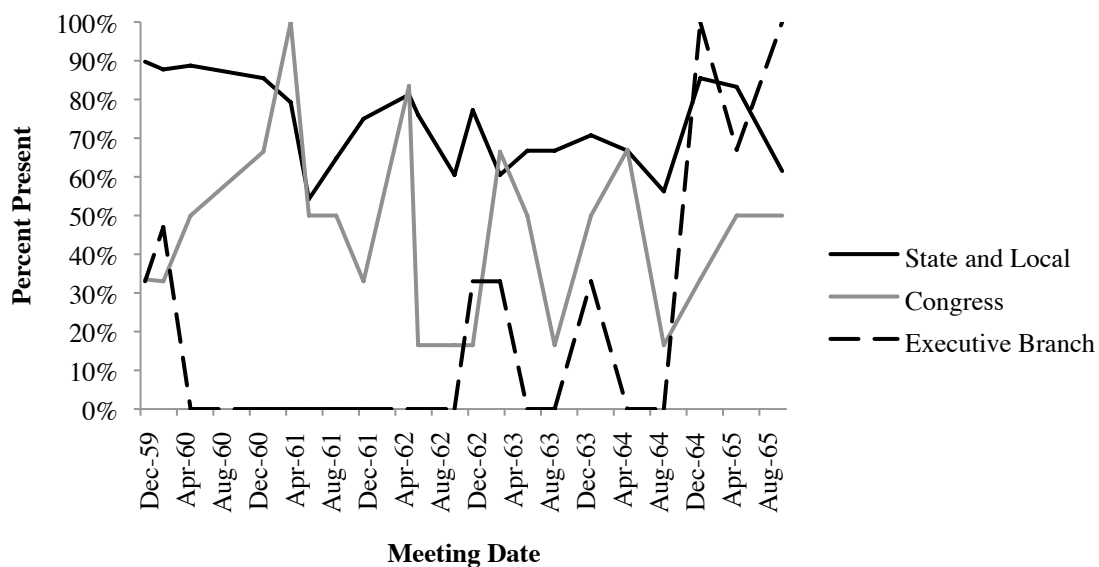
⁸⁴ Deil S. Wright, “The Advisory Commission on Intergovernmental Relations: Unique Features and Policy Orientation,” *Public Administration Review* 25 (3, 1965): 193–202.

⁸⁵ *Ibid.*

⁸⁶ See, for example, January–December 1962, Edmund S. Muskie Papers, Box 35, Edmund S. Muskie Papers, Series V: U.S. Senate, Subseries A. Washington Office, EMA, Bates.

interest in attending commission meetings until after the Commission’s May, 1964 report on *Statutory and Administrative Controls Associated with Federal Grants for Public Assistance*, which sharply criticized the way that federal programs could make a state into “a mere administrative agent of the Federal Government” by robbing elected officials of decision-making authority.⁸⁷ While the Secretary of Health, Education, and Welfare, Anthony Celebrezze, dissented from nearly every recommendation made by the Commission, the report signaled an increasing threat to agencies managing intergovernmental programs.⁸⁸ By the end of 1964, their attendance at ACIR meetings improved considerably.

Figure 3.2. Attendance at ACIR Meetings, 1959–1965



Source: U.S. Congress, Joint Hearing Before the Intergovernmental Relations and Human Resources Subcommittee of the House Committee on Government Operations and Subcommittee on Intergovernmental Relations of the Senate Committee on Government Affairs, *Twenty-Five Year Record of the Advisory Commission on Intergovernmental Relations*, 98th Cong, 2nd Sess., July 25, 1984, 292–296.

Finally, the ACIR was an ideal site of brokerage because both its rules of deliberation and the deportment of its moderate leaders allowed representatives of state and local governments to collaborate at every stage of the proposal process. According to the ACIR’s formal operating procedures, any member of the Commission could propose a subject of study, which was put to a majority vote.⁸⁹ Successful proposals were then assigned to staff members or contracted out to political scientists or economists acting as

⁸⁷ ACIR, *Statutory and Administrative Controls Associated with Federal Grants for Public Assistance* (Washington, DC: GPO, 1964), 91.

⁸⁸ “Statutory and Administrative Controls Associated With Federal Grants for Public Assistance,” Box 393, Edmund S. Muskie Papers, Series V: U.S. Senate, Subseries A. Washington Office, EMA, Bates.

⁸⁹ ACIR, *Reapportionment of State Legislatures* (Washington, DC: GPO, 1962), v.

paid consultants for the Commission.⁹⁰ Researchers drafted reports which included potential policy solutions, which received reviews from an informal group of critics, including representatives from state and local government associations, federal agencies, and members of Congress, who provided both “expert knowledge” and a “diversity of substantive and philosophical viewpoints and recommended revisions or rejection of the report.”⁹¹ Equally importantly, members both deliberated on the content of the draft report, voted on recommendations for changes or additional research and, finally, voted on whether or not to approve the report for publication.⁹²

Organizational brokerage did not mean that conservatives could use Commission studies as a venue for regurgitating their policy positions. Instead, they had to synthesize their views with those of relevant interest groups to produce what one member called “specific and feasible” recommendations based on the “scrutiny of political realists” rather than “Fourth-of-July oratory,” well adjusted to political “give and take.”⁹³ This point is best illustrated by comparing the ACIR’s 1962 study of state legislative apportionment with its examinations of metropolitan fiscal reform. In both cases, conservatives’ primary concern was the increasing political power of liberal urban governments and urban voters at the expense of conservative suburban and rural voters, a pattern that was reinforced not only by categorical programs that distributed political benefits to urban areas but by the Supreme Court’s landmark decision in *Baker v. Carr* (1962), which paved the way for judicial enforcement of population-based “one person one vote” requirements for the apportionment of state legislatures.⁹⁴

Conservatives did not ultimately find support for their positions when urbanization and reapportionment were framed as broad constitutional questions. In the case of the apportionment study, members like Sen. Karl Mundt (R–SD) had even voted to oppose the Commission’s decision to examine state legislative reapportionment as a legitimate policy option.⁹⁵ Yet a tie-breaking vote cast by Chairman Frank Bane led the commission to engage in a study of state apportionment policies.⁹⁶ During the course of the study, opponents of reapportionment remain vigorously opposed to population-based schemes and emphasized that the Constitution “does not permit the foisting upon the people without their consent of anything substantially short of a population base for their legislatures.”⁹⁷ Conservatives found it impossible, however, to garner a majority of votes that endorsed this position. Instead, with a push from mayors and metropolitan county officials, the Commission recommended the apportionment in both houses of state

⁹⁰ Wayne A. Clark, *A History of the Advisory Commission on Intergovernmental Relations*, 31–50.

⁹¹ Advisory Commission on Intergovernmental Relations, *Reapportionment of State Legislatures* (Washington, DC: GPO, 1962), v–vi.

⁹² *Ibid.*; Reports by Frank Bane on the Advisory Commission on Intergovernmental Relations.

⁹³ Arthur Naftalin, “Intergovernmental Tax Relations,” 101.

⁹⁴ Roger Biles, *The Fate of Cities: Urban America and the Federal Government* (Lawrence, KS: University Press of Kansas, 2011), 108; Byron Hulse, *Everett Dirksen and His Presidents: How a Senate Giant Shaped American Politics* (Lawrence, KS: University Press of Kansas, 2000), 202–203.

⁹⁵ Wayne Clark, *A History of the Advisory Commission on Intergovernmental Relations*, 40.

⁹⁶ *Ibid.*, 40–41.

⁹⁷ ACIR, *Reapportionment of State Legislatures* (Washington, DC: GPO, 1962), 73.

legislatures should be based “strictly on population.”⁹⁸ Though the ACIR incorporated conservatives’ argument that state legislatures and courts, rather than the federal judiciary, had ultimate responsibility for developing reapportionment schemes, and that states should hold regular referenda that allowed voters to change apportionment formulas, conservatives vehemently dissented from the report. As Lawrence Fountain put it: “I cannot subscribe to a principle which would deny to the people of any State the right, if a majority of the electorate decides in a statewide election, to take into account relevant factor other than population in apportioning one House of their legislature.”⁹⁹

By contrast, when worries about the increasing political power of urban areas were framed as fiscal and administrative problems, conservatives could fuse their critiques with the concerns of state and county officials and focusing on concrete policy alternatives. Categorical grant programs that targeted spending on urban areas did more than undermine conservatives’ policy goals of limiting government spending, they also mobilized voters and interest groups that, beyond being unaligned with conservatives, challenged the authority of governors, state legislators, and county managers.¹⁰⁰ As the Commission’s 1961 report on *Governmental Structure, Organization and Planning in Metropolitan Areas* put it, though urban interest groups were weak in rural-dominated state legislatures, “rural domination” was a “made-to-order argument for municipal and other local governments in metropolitan areas to seek redress from Congress in the form of financial assistance from the National Government” skewing federal programs towards a coalition of urban “special interests” and preventing effective “areawide” control by state and county governments.¹⁰¹

Not only did focusing on fiscal issues allow conservatives to find common cause with governors, legislators, and county officials, it challenged liberal categorical programs on their own terms, by suggesting that they ignored “areawide” issues in favor of special interests. By 1965, for example, the Commission had built an impressive set of studies comparing urban and suburban experiences of poverty which suggested that the present focus on urban policy was based on a false dichotomy of the “poorer central city contrasted with the comfortable suburb” which “does not hold up when the populations involved are analyzed by region and size of metropolitan area.”¹⁰² By recombining new census data with its own studies of poverty, the Commission showed that central cities and their suburbs were even in terms of poverty rates and argued that “few meaningful generalizations about economic, social, and racial disparities can be applied to all metropolitan areas.”¹⁰³ Nevertheless, the ACIR highlighted important ways in which federal poverty policy disproportionately distributed political benefits to liberal urban

⁹⁸ Wayne Clark, *A History of the Advisory Commission on Intergovernmental Relations*, 40–41.

⁹⁹ ACIR, *Reapportionment of State Legislatures*, 76.

¹⁰⁰ Roger Biles, *The Fate of Cities*, 82–112.

¹⁰¹ ACIR, *Governmental Structure, Organization, and Planning in Metropolitan Areas* (Washington, DC: GPO, 1961), 8.

¹⁰² ACIR, *Metropolitan Social and Economic Disparities: Implications for Intergovernmental Relations in Central Cities and Suburbs* (Washington, DC: GPO, 1965), 11.

¹⁰³ *Ibid.*

constituencies.¹⁰⁴ Categorical poverty programs led urban local governments to receive, on average, 27 percent more revenue per capita than suburban governments. The result of this urban-suburban disparity in federal spending and policy action was that: “populations at the lower end of the social and economic scale in the central cities of northeastern areas are becoming better organized politically and economically to the point where they are already a major and may become the dominant interest group.”¹⁰⁵ The poor populations these programs were benefitting, the report made clear, were distinct from those in the suburbs, because they more frequently displayed social pathologies. The ACIR concluded that ten percent of households in cities contained “broken families with children,” whereas only five percent of suburban households did. By breaking down the statistic into racial subcategories, the report further showed that broken families made up 23 percent of urban nonwhite households, as compared to 13 percent of suburban nonwhite households.¹⁰⁶

The ACIR framed cities’ increasing leverage not as a political problem, but one of policy coordination. As the report put it: “given the potential differences in interest, values, and orientation, if such disparities increase, both central cities and the suburbs will find it increasingly difficult to bring about the interjurisdictional cooperation so badly needed in a number of public service fields.”¹⁰⁷ As the latter half of the chapter will show, the Commission’s capacity to reframe problems to appeal to multiple stakeholders gave way to new policy coalitions.

Generating Strategic Knowledge

The ACIR also began to fill a crucial gap in conservative policy entrepreneurs’ understanding of the politics of intergovernmental relations. In 1960, Hoover Institution economist and former CIR staffer Roger Freeman complained of the lack of available data on the performance of federal grant-in-aid programs, and drew up a plan for studying “the record and outlook” of federal programs “with particular attention to intergovernmental aspects, the ability of the various levels of government to meet the demands upon them, and the means by which governmental powers can best be utilized and coordinated.”¹⁰⁸ For Freeman, the purpose of asking questions like these was to demonstrate the existence of a gap between “what the American people want” (local control) and the centralization of government by elected representatives. Once this gap was revealed, it would be possible to develop “alternative courses of action” for federal programs.¹⁰⁹

With a slim research budget and little independent access to information about the operation of federal programs, researchers like Freeman were forced to request data

¹⁰⁴ *Ibid.*, 39–54.

¹⁰⁵ 89.

¹⁰⁶ *Ibid.*, 8–26.

¹⁰⁷ *Ibid.*

¹⁰⁸ Roger Freeman, “A Study of the Centralization of Governmental Powers Through the Use of Grants-of-Aid in the United States and in Other Federal Countries” (1960), Box 125, Folder: Division of Functional Responsibilities, Roger Freeman Papers, Hoover.

¹⁰⁹ *Ibid.*

produced by government agencies.¹¹⁰ Agencies, however, rarely provided the kinds of data that conservative critics of the New Deal needed to support their critiques. In 1955, for example, Freeman wrote to Clayton Hutchins at the U.S. Office of Education, criticizing the agency's methodology for calculating state fiscal capacity, which he said vastly underestimated the amount of tax revenues states had to fund schools by failing to account for untapped state revenues and underemphasizing how federal tax burdens choked off state capacity to raise education funds.¹¹¹ The "crisis" in state secondary-education funding, Freeman's colleagues at the Tax Foundation claimed, had been ginned up through selective interpretations of the data. Worse, he later grouched, organizations like Hoover and anti-tax groups had "not shown much interest in the subject."¹¹² In his own experience during the 1950s, the CIR's studies had made a world of difference. With new data in hand, Freeman produced studies to dismantle "propaganda campaign" on the part of the agency with countervailing data which showed that increasing federal involvement in education was leading to a "duplication of effort."¹¹³

With the ACIR's help, Freeman stood to make major headway in learning about emerging policy problems as well how to appeal to state and local officials. At a 1962 hearing on "Problems of Federal-State-Local Relations," the ACIR's William Colman testified that grants-in-aid were a "vital part of our federal system" and were "here to stay."¹¹⁴ Nevertheless, he claimed, grants had become an "impenetrable jungle" of administrative rules that "try the minds of officials at all levels."¹¹⁵ Summarizing the ACIR's research, Colman argued that statutes had created "significant restrictions" on state governments, preventing them from organizing their own administrative departments effectively.¹¹⁶

The ACIR's surveys with state and local public officials continued to reveal a basic support for grants-in-aid that conservatives were not likely to surmount. Yet these studies also gave conservatives a means of appealing to governors, mayors, and county officials by identifying their dissatisfaction with existing programs. In 1962, the ACIR helped the Senate Government Operations Committee in conducting a far-reaching, 97-question survey of 460 state and local officials.¹¹⁷ The findings of this study, which would inform the next three years of committee legislation on federal reorganization mapped out an interest-group basis for challenging existing grants-in-aid policies. The study

¹¹⁰ Roger Freeman to Preston Lane, September 6, 1955, Box 236, Folder: Proposals on School Aid in Recent Years, Roger Freeman Papers, Hoover.

¹¹¹ Roger Freeman to Clayton Hutchins, May 20, 1955, Box 236, Folder: Proposals on School Aid in Recent Years, Roger Freeman Papers, Hoover.

¹¹² Roger Freeman to Thomas Curtis, March 14, 1963, Box 330, Folder: Correspondence: Curtis, Thomas, Roger Freeman Papers, Hoover.

¹¹³ Roger Freeman, Personal Memorandum, April 4, 1955, Box 236, Freeman Papers, Hoover.

¹¹⁴ U.S. Congress, Senate Committee on Government Operations, Subcommittee on Intergovernmental Relations, Problems of Federal-State-Local Relations, 87th Cong. 2nd sess.

¹¹⁵ *Ibid.*, 14.

¹¹⁶ *Ibid.*, 15.

¹¹⁷ Senate Committee on Government Operations, *The Federal System as Seen by State and Local Officials: Results of a Questionnaire Dealing with Intergovernmental Relations*, 88th Cong., 1st sess. (1963), 206–214.

emphasized that most state and local officials were neither major proponents of expanded federal power (“New Nationalists”), nor “Orthodox States’ Righters.”¹¹⁸ Rather, the survey reported forty-three percent of respondents could be described as either “Neo-Traditionalists,” suspicious of federal control but “out of practical necessity or a conservative fear of upsetting the status quo” unwilling to suggest that federal grants-in-aid should be eliminated. Another thirty-three percent could be described as supporting “pragmatic cooperative federalism,” more enthusiastic about federal programs, but entrepreneurial in seeking to design their own policy solutions.¹¹⁹

Table 3.6. Selected Results from Senate Government Operations Committee Survey on Intergovernmental Relations, 1963

	<i>Government is too centralized</i>	<i>Federal grants skew state and local policy goals</i>	<i>Grants to localities should be channeled through the states</i>	<i>Congress should review grants in order to terminate them</i>
State Officials (N=61)	54.10%	60.66%	67.21%	45.90%
County Officials (N=79)	60.76	49.37	41.77	46.84
Mayors (N=50)	62	40	22	28
City Managers (N=153)	49.67	44.44	33.99	45.1
School Board Members (N=61)	37.7	37.7	44.26	44.26
Professors and Others (N=56)	25	67.86	35.71	39.29
Total (N=460)	47.61	48.91	40	42.83

Source: Compiled by the author from Senate Committee on Government Operations, *The Federal System as Seen by State and Local Officials: Results of a Questionnaire Dealing with Intergovernmental Relations*, 88th Cong., 1st. Sess. (1963).

To arrive at these broad conclusions, the study relied on more detailed survey results like those shown in Table 3.6. In general, the report suggested, state and local officials of a variety of stripes were often (but not always) skeptical of federal authority and dismayed by the possibility of federal distortion of state and local programs. From these surveys, the Subcommittee drew three policy lessons. First, as the results in Table 3.6 indicate, state and local governments supported joint authority and grants-in-aid had political support among state governments rather than a repudiation of grant-in-aid programs or a broader nationalization of power. Second, the Committee used survey

¹¹⁸ Ibid.

¹¹⁹ Ibid., 206–7.

responses on individual programs to argue that the parity of power between states and the federal government was an “indispensable ingredient” for successful smooth policy implementation since intergovernmental relations were essentially “a network of functional relationships...to advance the commonweal,” upset only when one level had too much power over the other.¹²⁰ As the Committee’s final report put it: “mutual forbearance, flexibility, complexity, and balance—not consistency, neatness, and logic—are the hallmarks of an effective Federal system.”¹²¹

Unsurprisingly, liberal policymakers were not quick to endorse these reform measures, since doing so would have explicitly acknowledged problems with their preferred policies and undermined the interests of these programs’ support coalitions. Conservative policy entrepreneurs, by contrast, made full use of this kind of information. In 1964, George C.S. Benson held a conference on intergovernmental relations for national business organizations at Claremont Men’s College; each of the papers delivered at the conference based on ACIR studies.¹²² By then, both he and Roger Freeman had made names for themselves in conservative circles as “intergovernmental relations” experts. Freeman was invited by Dean Burch, Chairman of the Republican National Committee (RNC) to advise the organization and to prepare speeches on federalism issues for congressional candidates.¹²³ Using ACIR evidence, he painted a picture of state governments under the thumb of federal agencies in what he described as a “vertical functional autocracy.” Citing a recent study of public welfare programs, he illustrated how states like Michigan were prohibited from developing their own definitions of unemployment within federal grant-in-aid programs.¹²⁴ While acknowledging that states still needed Washington’s help to improve their fiscal situation, Freeman argued that states found more harm than comfort in these programs:

Officials of state and local government who try to follow their own judgment soon find the federal manna channeled into other directions and their own positions undermined. If they don’t mend their ways, they are likely to be replaced by more compliant, less scrupulous men.¹²⁵

¹²⁰ Ibid.

¹²¹ Ibid., 215.

¹²² U.S. Congress, Joint Hearings Before the House and Senate Subcommittees on Intergovernmental Relations, Five-Year Record of the Advisory Commission on Intergovernmental Relations and Its Future Role, 89th Cong., 1st sess., 111.

¹²³ See Laurence Stern, “Barry’s Men Pack Tax Free Institute,” *Washington Post*, August 23, 1964, A2; Roger Freeman, Note regarding telephone call with Richard Ware, October 8, 1964, Box 364, Folder: Republican Program, 1964, Roger Freeman Papers, Hoover; Roger Freeman to Richard Ware, October 14, 1964, Box 364, Folder: Republican Program, 1964, Roger Freeman Papers, Hoover; Richard Ware to Roger Freeman, October 26, 1964; Roger Freeman to Karl Hess, May 21, 1964, Folder: Republican Program, 1964, Roger Freeman Papers, Hoover; Roger Freeman, Position Paper on Intergovernmental Relations, September 10, 1964, Box 364, Folder: Republican Program, Roger Freeman Papers, Hoover.

¹²⁴ Roger A. Freeman, Memorandum on: Federal Programs Which Should Be Returned to the States or Local Participation Increased, October 14, 1964, Box 364, Folder: Republican Program, 1964.

¹²⁵ Roger Freeman, Position Paper on Intergovernmental Relations, September 10, 1964, Box 364, Folder: Republican Program, Roger Freeman Papers, Hoover.

Freeman's speech drafts sounded more like a *cri de couer* than policy analysis, complete with capitalized sentences reading "FREEDOM IS INDIVISIBLE."¹²⁶ Yet his policy memos were by no means the result of a fiery campaign all-nighter. With the help of the ACIR, organizations like Hoover, the American Enterprise Association, and the Claremont Institute for Studies in Federalism would come to publish numerous studies like this in the early 1960s. These analyses also formed the basis for new policy experiments conservatives would undertake in the early 1960s.

Of course, the ACIR's studies on policy alternatives emerged slowly. As a new organization, the ACIR focused much of its effort and professional expertise on developing research products that demonstrated its expertise on issues of state and local legislation.¹²⁷ While its members worked to find consensus on actions that Congress could take, the organization's professional staff invested in creating an extensive set of model legislation for modernizing state government, including tools for pooling tax enforcement burdens across localities, rationalized approaches to municipal incorporation, and providing for the creation of mass transportation systems.¹²⁸ This could distract its ability to "command headlines," as Deil S. Wright put it in 1965, yet it also brought few "condemnations" of the Commission's work.¹²⁹ Indeed, by 1965, political scientist Robert Wood wrote that he knew of "no other organization and agency that has served to clarify and bring about sound objective analysis to some of our most important domestic problems."¹³⁰ And while economist Carl Shoup often did not agree with the ACIR's conclusions, he could not deny that its work had been "beneficial."¹³¹

Despite the slow pace of work, the ACIR's capacity to disseminate strategic knowledge generated strong support from stakeholders, reinforcing the organization's role as a broker. State and local officials and conservative organizations were disproportionately likely to benefit from the Commission's research. To illustrate this point, Table 3.7 summarizes organizational statements of support from Congress's five-year review of the Commission. Along with state officials, business organizations like the Chamber make up the vast majority of these endorsements. By contrast, only a small handful of federal agencies or local officials voiced the same sentiments. Liberal groups—including unions and associations of policy professionals—offered no support for the ACIR whatsoever. As the U.S. Chamber of Commerce's John Barnett put it, the ACIR been of "immeasurable value" to point out areas for reevaluation and possible retrenchment of grants-in-aid programs.¹³² The Chamber, he reported, sent each ACIR study it received to member organizations, and had invited the Commissions' members to

¹²⁶ Ibid.

¹²⁷ Wayne A. Clark, *A History of the Advisory Commission on Intergovernmental Relations*, 31–50.

¹²⁸ Deil S. Wright, "The Advisory Commission on Intergovernmental Relations: Unique Features and Policy Orientation."

¹²⁹ Ibid.

¹³⁰ U.S. Congress, Joint Hearings Before the House and Senate Subcommittees on Intergovernmental Relations, Five-Year Record of the Advisory Commission on Intergovernmental Relations and Its Future Role, 89th Cong., 1st sess., 254.

¹³¹ Ibid., 252.

¹³² Ibid., 111–112.

appear before its chief executives.¹³³ Indeed, conservative groups like the Chamber composed a vital source of support for the ACIR; newsletters like *Washington Outlook* and *News and Cues* cited the Commission’s findings approvingly.¹³⁴ In a 1961 “Special Report on Federal Intervention in State and Local Affairs,” for example, the Chamber drew on ACIR studies showing that “federal subsidies weaken local control” and urged its members to “pen personal action-urging notes” on the subject to local officials, urging them to express similar sentiments to members of Congress.¹³⁵

Table 3.7 Organizational Statements of Support for ACIR, 1965 Hearings

<i>Type of Organization Represented</i>	<i>Number (%) of Statements of support For ACIR</i>
Federal Agencies	3 (10%)
State Officials	12 (40%)
Local Officials	3 (10%)
Business Organizations	12 (40%)
Total	30 (100%)

Source: Tabulated by author from U.S. Congress, Joint Hearings Before the House and Senate Subcommittees on Intergovernmental Relations, Five-Year Record of the Advisory Commission on Intergovernmental Relations and Its Future Role, 89th Cong., 1st sess.

III. Practice Refines Theory: New Frames, Coalitions, and Policy Alternatives

Though the creation of the ACIR signaled congressional interest in intergovernmental relations, Congress itself lacked the capacity for sustaining action on intergovernmental reforms, especially those that threatened to undermine categorical programs for which members could take credit. Hence, by 1965, the ACIR represented the “high-water mark,” as one political scientist put it, of a new approach to identifying what was “awry in our system of intergovernmental relations.”¹³⁶ As this section shows, the ACIR helped to reframe key issues, build coalitions, and introduce alternatives that would not have been likely to emerge in its absence. First, entrepreneurs in Congress used ACIR reports to provide new “principled” rationales for opposing domestic initiatives during the New Frontier. Second, they placed liberals on the defensive with proposals to automatically terminate grant-in-aid programs. Finally, with the help of Commission studies, researchers like Freeman and Benson began to promote conservative approaches to

¹³³ *Ibid.*, 112.

¹³⁴ See U.S. Chamber of Commerce, *Washington Outlook on Education*, Division of Federal Relations, October 6, 1961, Box 236, Roger Freeman Papers, Hoover.

¹³⁵ U.S. Chamber of Commerce, *Special Report on Federal Intervention in State and Local Affairs*, August 31, 1961, Box 236, Roger Freeman Papers, Hoover.

¹³⁶ Harry J. Reynolds, “Foreword,” *The Annals of the American Academy of Political and Social Science* 359, no. 1 (1965): ix–x.

federal grant-in-aid, which members of Congress began to introduce. While these alternatives initially lacked significant support in Congress, they would help to heighten tensions between liberals in Congress and officials at the state and local level.

Reframing Opposition to New Frontier Initiatives, 1961–1962

ACIR studies provided new ammunition for congressional conservatives working against the enactment of signature “New Frontier” policy initiatives. After the enlargement of the Rules Committee, conservatives faced the prospect of having to take public “no” votes on popular initiatives. Especially during election years, this made it imperative for conservatives to give principled, “good faith” rationales for their opposition—which commission-generated studies helped to supply.¹³⁷ For its part, the ACIR helped to supply conservatives with just these sorts of public rationales.

One early example of this pattern can be found in the area of urban affairs. In 1961, the ACIR delivered reports to the House Subcommittee on Intergovernmental Relations as it considered Kennedy Administration legislation to create a Department of Housing and Urban Affairs.¹³⁸ In communications with members of Congress, the ACIR warned against creating an agency with broad powers to direct state or local action and insisted that congressional language require state and local participation in policy planning. As the Commission’s director, Frank Bane, put it:

The Commission believes that activities of the federal government with respect to urban problems should be conducted in such a way as to give free rein and encouragement to the initiative of the States in exercising leadership with respect to the solution of problems involving their political subdivisions... The Commission believes that any such department should be used to facilitate the coordination of existing functions and responsibilities and that any declaration of national policy avoid giving impression or interpretation as *carte blanche* for direct action by such a department.¹³⁹

Bane’s suggestion was based on the Commission’s recent report on *Governmental Structure, Organization, and Planning in Metropolitan Areas*, which had surveyed the landscape of federal urban policy via secondary sources, government data, and interviews with state and local officials.¹⁴⁰ The timing of the report proved ideal for conservatives.

¹³⁷ See Brian J. Glenn, “Conservatives and American Political Development,” *Political Science Quarterly* 125 (4, 2010): 611–638.

¹³⁸ Wendell Pritchett, *Robert Clifton Weaver and the American City: The Life and Times of an Urban Reformer* (Chicago: University of Chicago Press, 2008), 228–31; Frederick Hayes to Lee White, June 16, 1961, Papers of John F. Kennedy, Presidential Papers. White House Staff Files of Lee C. White. General File, 1954–1964, Box 18, Folder: Urban Affairs, Department of, 3 June 1959–27 July 1961 (1 of 2 folders) JFKL.

¹³⁹ U.S. Congress, Senate, Committee on Government Operations, Hearings on the Establishment of a Department of Urban Affairs and Housing, 87th Cong., 1st. sess., June 21–22, 1961, 16–17.

¹⁴⁰ ACIR, *Governmental Structure, Organization, and Planning in Metropolitan Areas* (Washington, DC: GPO 1961).

By 1962, they could no longer rely on the Rules Committee to block consideration of the legislation, as they had done in 1961. Moreover, Kennedy had announced his plans to create the new department under the Reorganization Act of 1949, which required Congress to take action within 60 days to halt reorganization.¹⁴¹ And in an attempt to divide the conservative coalition on the floor, Kennedy tied his proposal to the nomination of an African American official, the Housing and Home Finance Agency's Robert Weaver to head the new department.¹⁴² This, Kennedy had hoped, would make voting against the proposal painful and embarrassing for Northern Republicans representing predominantly African American districts.¹⁴³

Using the ACIR's report, however, conservatives had already begun to build a coalition with state and county officials by reframing their challenge to the Kennedy proposal around "good government" concerns.¹⁴⁴ Kennedy's advisors now worried that his plan was in jeopardy of losing support from these groups.¹⁴⁵ Moreover, Bane's advice allowed the legislation's opponents to emphasize the structural problems of the proposal with reference to nonpartisan advice. Speaking to the National Association of County Officials (NACO), Senator Jack Miller (R-IA) fired back that Kennedy's attempt to use Weaver as a wedge was unfair. Citing the ACIR's study, he claimed his opposition to the department had a reasonable basis:

Granted there are serious problems. Granted that we must do something about them. This doesn't automatically lead us to a Department of Urban Affairs. Granted that coordination is desirable to avoid duplication and overlapping of activities of various federal offices working in the area of community development, this doesn't necessarily require a new Cabinet department.¹⁴⁶

Conservatives also offered principled alternatives to the Department. During a January, 1962 hearing before the House Government Operations Committee, Reps. George Meader (R-MI) and Robert Barry (R-NY) repeatedly cited ACIR studies, submitting that the ACIR *itself* was the "proper type of body" to carry out coordination.¹⁴⁷ Governors and county officials agreed and Barry quickly introduced a bill along these lines "based on the recommendations of the ACIR."¹⁴⁸

These counterproposals forced a quick response from the administration. Kennedy's advisors quickly drew up a "Question and Answer" sheet which repeatedly

¹⁴¹ "Congress Blocks Urban Affairs Plan," *Congressional Quarterly Almanac* 18 (1962): 7-380-7-384; Wendell Pritchett, *Robert Clifton Weaver and the American City: The Life and Times of an Urban Reformer*, 228-31.

¹⁴² *Ibid.*

¹⁴³ *Ibid.*

¹⁴⁴ Note to Lee White from Milton Smear (General Counsel), January 26, 1962, Papers of John F. Kennedy. Presidential Papers, White House Staff Files of Lee C. White, General File, 1954-1964, Box 18, Folder: Urban affairs message, January 1962: 6-31 (2 of 3 folders), JFKL.

¹⁴⁵ *Ibid.*

¹⁴⁶ *Congressional Record*, 87th Cong., 2nd sess., 1035.

¹⁴⁷ *Ibid.*, 2633.

¹⁴⁸ *Congressional Record*, 87th Cong., 2nd sess., 2634, 2639, 2695.

argued that the creation of the new department “would not extend in the slightest any power or control of the federal government” and that Republicans’ advisory approach would only “superficially touch on the problem.”¹⁴⁹ Yet by this point the debate had shifted from Weaver’s nomination to the value of creating a new organization, stalling Kennedy’s strategy. Robert Barry attacked Kennedy directly suggesting that it was a “dark day indeed when the issue of race is injected as it has been here.” Rather, Barry argued, “Those of us who oppose this legislation do so because we are convinced that the centralized approach to this problem is simply not the answer. As Rep. Walter Judd (R–MN) also put a positive gloss on his opposition:

Certainly I am as interested in the proper and rapid and adequate development of my city and area as any person can possibly be. It is precisely because I want the best possible condition for the people of my city that I am unable to support the creation of the proposed Department of Urban Affairs.¹⁵⁰

Principled conservative opposition in the House spelled the proposal’s demise, especially once a Senate motion to discharge failed to win the support of Southern Democrats and long-standing committee chairs.¹⁵¹ In February, Meader introduced legislation to confirm the House’s disapproval of the President’s proposal, which passed 264–150 with strong support from the conservative coalition.¹⁵² As the *Congressional Quarterly* reported, of the 32 Republicans from primarily urban districts casting a vote, 87 percent chose to oppose the administration’s proposal. 26 percent of urban Democrats who voted did the same.¹⁵³ Conservatives had thus successfully pushed the administration onto the defensive. The ACIR’s study, though hardly the single deciding factor, helped them to highlight technical reasons for opposing the department’s creation.

From “Sudden Death” to the “Right to Be Consulted”: A Coalition for Terminating Grants-in-Aid, 1961–1965

Beyond reframing policy debates, the ACIR’s efforts at brokerage would help to build broader coalitions for conservative challenges to grant-in-aid programs. The ACIR’s 1961 report on the *Periodic Congressional Reassessment of Federal Grants-in-Aid* lit new fires under Republicans and Southern Democrats, particularly in the House. As Figure 3.3 shows, during the 87th and 88th Congresses, they introduced all but 2 of 18 bills requiring congressional review and mandatory termination of grants-in-aid. With the exception of Reps. Lawrence Fountain (D–NC) and Frank Ikard (D–TX) sponsors of these bills were primarily economic conservatives like Reps. Odin Langen (R–MN) or

¹⁴⁹ Department of Urban Affairs and Housing, Reorganization Plan No. 1 of 1962, Question and Answer Sheet, Papers of John F. Kennedy, Presidential Papers, White House Staff Files of Lee C. White. General File, 1954–1964, Box 18, Folder: Urban affairs message, February 1962: 1-6 and undated (3 of 3 folders), JFKL.

¹⁵⁰ *Congressional Record*, 87th Cong., 2nd sess., 2664.

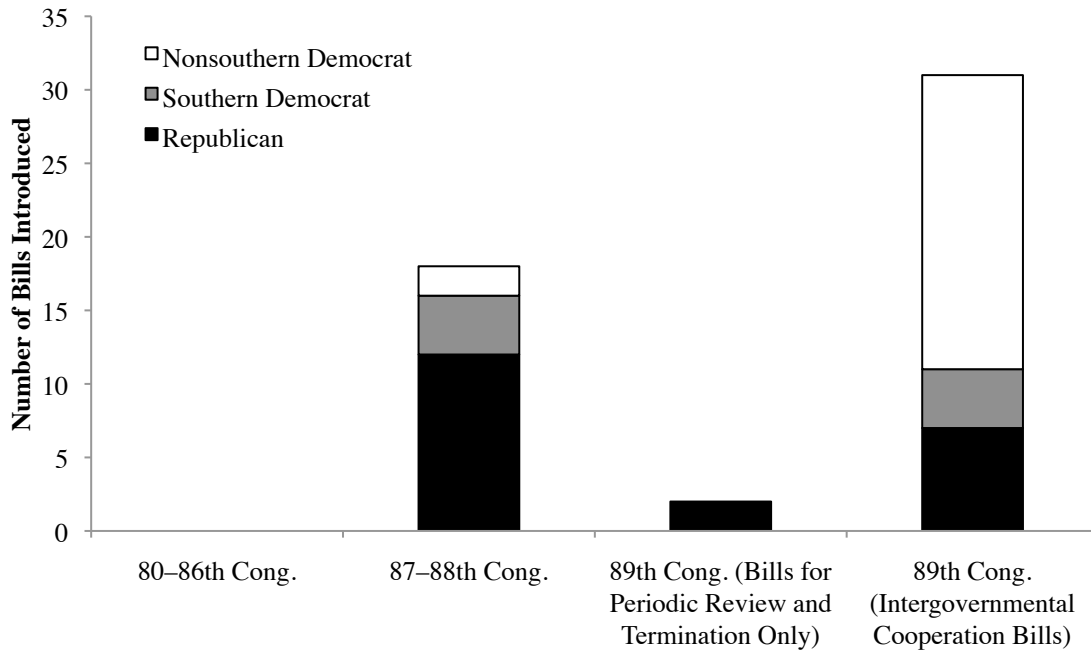
¹⁵¹ Joseph S. Clark, Oral History Interview, December 16, 1965, JFKL, 71–2.

¹⁵² “Congress Blocks Urban Affairs Plan.”

¹⁵³ *Ibid.*

Charles Goodell (R-NY).¹⁵⁴

Figure 3.3. Bill Introductions Mandating Congressional Review and Termination of Grants-in-Aid



Note: For a full list of bills and their sponsors, see Appendix Table A2.

For the language of these bills, conservatives pulled directly from the ACIR’s model legislation, which required mandatory congressional review of all grants-in-aid passed in the future, to avoid inciting the ire of existing specialist program beneficiaries.¹⁵⁵ Initial interest in the legislation from state and local governments and business groups like the Chamber of Commerce was minimal. Early attempts to bring potential supporters to testify before congressional subcommittees on Intergovernmental Relations met with little success in 1961, as the top panel of Table 3.8 shows. Yet the ACIR’s staff worked hard to sell the legislation to the Chamber and the National Association of Manufacturers as a remedy for “unsystematic” and “uncoordinated” efforts at congressional oversight and as a way to ameliorate problems of “backdoor spending.”¹⁵⁶ These bills also had the benefit of new support from organizations of state and local elected officials, whom the ACIR’s leadership had specifically courted on the issue. By 1964, hopeful policy entrepreneurs saw a marked improvement in hearing

¹⁵⁴ H.R. 7802, 87th Cong., (1961).; H.R. 12567, 87th Cong. (1962); H.R. 6167, 87th Cong. (1962).

¹⁵⁵ ACIR, *Periodic Reassessment of Federal Grants-in-Aid to State and Local Governments*, 26–28.

¹⁵⁶ U.S. Congress, Senate Committee on Government Operations, *Intergovernmental Relations Subcommittee, Congressional Review of Federal Grants-in-Aid, 87th Cong., 1st sess., July 25 and 27, 1961*, 115.

turnout and increasingly strong support, with the exception of federal agencies (see Table 3.8). NACO’s Ben Haigh suggested that congressional review would help the county official who was the “low man on the totem pole of Federal-State-county relations, the one that usually has to live with and administer programs.”¹⁵⁷ For counties, periodic review would be an ideal opportunity to bring up the “many inflexible financial and other provisions which recently have created so many problems in grant programs at the state and local level.”¹⁵⁸ By contrast, without periodic review, counties could only petition federal and state agencies who administer the programs and who had a “vested interest” in avoiding changes, making adjustment “practically impossible.”¹⁵⁹

More importantly, the ACIR helped to repackage what began as a partisan attempt at deck stacking into a neutral improvement to government. Periodic review and termination, as witnesses now put it, would simply “systematize what is good legislative procedure” and add a “rational note in the system.”¹⁶⁰ As the lower panel of Table 3.8 shows, this sales-pitch left labor organizations and federal agencies like the U.S. Department of Agriculture as the only remaining public opponents of periodic termination of grants-in-aid. The AFL–CIO’s Andrew Biemiller began referring to periodic review as an attempt by business organizations to introduce a “sudden death” approach to grants-in-aid. Since federal agencies began to fear that they looked like recalcitrant “vested interests,” they began to support the “general purpose” of the legislation, but not the termination requirements.¹⁶¹ When testifying against the proposals, agency heads like Wilbur Cohen were forced to argue that “sufficient authority already exists for congressional review” and that frequent reauthorizations would become “burdensome,” creating “costly paperwork” for agencies.¹⁶² Yet even this defense came in for criticism. As one testifying political scientist put it, “I can only say that I cannot understand why any administrative official of Government should object to a review of his program at any time.”¹⁶³

Table 3.8. Hearings on Periodic Review and Termination of Grants-in-aid

(a) Witnesses Testifying at Hearings on Periodic Review of Federal Grants-in-aid

<i>Witness Type</i>	<i>1961</i>	<i>1964</i>	<i>1965</i>
Federal Agency	5 (63%)	7 (41%)	6 (27%)
State or Local Government	1 (13%)	2 (12%)	8 (36%)

¹⁵⁷ U.S. Congress, Senate Committee on Government Operations, Intergovernmental Relations Subcommittee, Congressional Review of Federal Grants-in-Aid, 88th Cong., 2nd sess., January 14–16, 1964, 123.

¹⁵⁸ *Ibid.*

¹⁵⁹ *Ibid.*, 122.

¹⁶⁰ *Ibid.*, 158.

¹⁶¹ *Ibid.*, 155–156.

¹⁶² *Ibid.*, 84–101.

¹⁶³ U.S. Congress, Senate Committee on Government Operations, Intergovernmental Relations Subcommittee, Intergovernmental Cooperation Act, 89th Cong., 1st sess., March 29–April 2, 1965, 320.

Organization			
Member of Congress	2 (25%)	6 (35%)	2 (9%)
Business	0 (0%)	2 (12%)	4 (18%)
Labor	0 (0%)	0 (0%)	0 (0%)
Academic	0 (0%)	0 (0%)	2 (9%)
Total	8 (100%)	17 (100%)	22 (100%)

**(b) Written Statements Received by Committees
That Support and Oppose Periodic Termination of Grants-in-Aid**

	1961		1964		1965	
	<i>Support</i>	<i>Oppose</i>	<i>Support</i>	<i>Oppose</i>	<i>Support</i>	<i>Oppose</i>
Federal Agency	5	9	4	12	2	12
Congress (R)	8	0	6	0	2	0
Congress (SD)	4	0	2	0	2	0
Congress (ND)	2	0	7	2	2	1
State or Local						
Government	2	0	2	0	27	3
Business	1	0	4	0	7	0
Academic	0	0	4	0	7	0

Sources: Tabulated by author from U.S. Congress, Senate Committee on Government Operations, Intergovernmental Relations Subcommittee, Congressional Review of Federal Grants-in-Aid, 87th Cong., 1st sess., July 25 and 27, 1961; U.S. Congress, Senate Committee on Government Operations, Intergovernmental Relations Subcommittee, Congressional Review of Federal Grants-in-Aid, 88th Cong., 2nd sess., January 14–16, 1964; U.S. Congress, Senate Committee on Government Operations, Intergovernmental Relations Subcommittee, Intergovernmental Cooperation Act, 89th Cong., 1st sess., March 29–April 2, 1965.

Officials in the Kennedy and Johnson Administrations reacted lukewarmly to these proposals and they attracted little interest from congressional liberals.¹⁶⁴ Yet by 1964, the hearings on ACIR-authored legislation had highlighted state and local officials' strong dissatisfaction with grant-in-aid programs and their capacity to challenge the administration. The following year, the ACIR also repackaged the proposal to appeal specifically to officials in the Bureau of the Budget by including measures to improve the standardization of disbursement procedures and to congressional liberals, by including new urban assistance funds and technical assistance grants to state and local governments.¹⁶⁵ Adding these provisions helped to erase the bill's apparent history as a "Sudden Death" initiative. As Michigan State political scientist Charles Press described it, the new legislation provided state and local officials with "Bagehot's right to be

¹⁶⁴ David Welborn and Jesse Burkhead, *Intergovernmental Relations in the American Administrative State: The Johnson Presidency* (Austin, TX: University of Texas Press, 1989), chap. 7.

¹⁶⁵ *Ibid.*

consulted.”¹⁶⁶ It also appears to have given congressional liberals a stake in introducing ACIR-backed legislation. As Figure 3.3 shows, during the 89th Congress, Nonsouthern Democrats introduced the majority of model “intergovernmental cooperation” bills authored by the Commission, which included both review-and-termination provisions and the expanded set of reforms.

Table 3.9. Two Types of Intergovernmental Grant Reform Proposals, 1965

<i>Provision</i>	Intergovernmental Cooperation Act	Periodic Review and Termination
Expiration of Grants-in-Aid	Yes	Yes
GAO and ACIR Studies of Grants-in-aid	No	Yes
Transparency	Yes	No
Uniform Handling of Grant Funds	Yes	No
Waiver of Statutory “Single State Agency” Rules	Yes	No
Technical Assistance to State and Local Governments	Yes	No
Coordinated Urban Assistance Policy	Yes	No
Urban Land Utilization Policy	Yes	No
Example	S. 561 (Muskie)	S. 689 (Mundt)

Had their prospects not been dashed by a busy legislative calendar, these additional measures might also have allowed liberals to defend against attacks while preserving the opportunity to kill the bill’s termination provisions by amendment. Even so, the legislation’s emergence on the agenda acted as a proof of liberals’ vulnerability on issues of intergovernmental relations. The ACIR’s publication of a respected report, its quick drafting of legislation, and its ability to build a coalition with state and local officials spelled danger for the Johnson administration and potential rewards for conservatives. The President himself proposed creating a *new* commission on intergovernmental relations made up of the most “distinguished scholars and men of public affairs.”¹⁶⁷ When the proposal went nowhere, Johnson tried a different tack. In 1964, he began to announce the administration’s support for a nebulous concept known as “creative federalism,” a term coined in a 1962 lecture given by the moderate Governor Nelson Rockefeller (R-NY).¹⁶⁸ While Johnson himself used “creative federalism” in countless speeches promoting Great Society programs, internal histories reveal that it had no policy content until 1966. Instead, the term was defensively deployed by the administration to develop a “consensus politics” around its legislative program.¹⁶⁹ Faced

¹⁶⁶ Ibid., 343.

¹⁶⁷ See Richard R. Warner, *The Concept of Creative Federalism in the Johnson Administration* (Ph.D. Diss, American University, 1970), 250–256.

¹⁶⁸ Ibid.

¹⁶⁹ Ibid.

with challenges from the right, as one administration official recalled, Creative Federalism offered “an appeal to groups whose support might not be needed for a narrow victory but definitely would be for a landslide.”¹⁷⁰ As the next chapter shows, however, neither of these efforts were entirely successful at staving off conservatives’ critique of the activist state.

Strategic Knowledge and Conservative Alternatives to Grants-in-Aid, 1959–1965

While congressional conservatives had tested the ACIR’s mettle at forcing liberals onto the defensive, policy researchers like Roger Freeman and George Benson began to experiment with the ACIR’s research into alternative forms of federal grants-in-aid. In the early 1960s, both men had come to the conclusion that retrenching existing grants-in-aid programs was not a viable political objective. As Freeman put it in a 1964 policy memo for the RNC, grants were “the most insidious but unfortunately effective method by which the national government taken control of numerous activities” in American government. States and localities, he continued “are being offered large sums of money—collected from their citizens—or created by the operation of the banknote printing press—if they will subject their activities to federally imposed rules and to control and supervision of the federal bureaucracy.”¹⁷¹ However much states disliked the control, constraints on states’ own revenue sources and the lack of an alternative approach to grant formulation made it difficult to correct the problem.¹⁷² Practically, this took two forms: proposals for block grants and proposals for general revenue sharing.

Block Grants. Freeman’s initial recommendation to Republican candidates for office was not to propose to “abolish grant-in-aid money in one fell swoop,” but rather to design grants to “strengthen the fiscal power” of state and local governments and clean up the “crazy quilt” pattern of categorical grants.¹⁷³ “What is the justification,” he asked, “for having 47 public health programs of aid to state and local governments, each with its own rules and supervisors?”¹⁷⁴ As long as the federal government continued to finance public health, Freeman argued, the various federal health grants should be “combined into one,” reducing the power of program specialists and increasing the prerogative of governors and state legislatures. He called his solution “grant consolidation.”

This recommendation, like many at the time, was based on a longer history of research on the political and policy dimensions of grants-in-aid that began with the CIR. In 1961, Freeman had testified before a Senate Subcommittee on Education endorsing similar proposals on the basis of prior CIR studies. Freeman sent his draft legislation

¹⁷⁰ Ibid., 252.

¹⁷¹ Roger A. Freeman, Memorandum on: Federal Programs Which Should Be Returned to the States or Local Participation Increased, October 14, 1964, Box 364, Folder: Republican Program, 1964.

¹⁷² Ibid.

¹⁷³ Ibid.

¹⁷⁴ Ibid.

Senator Norris Cotton (R–NH) who later introduced it in Congress.¹⁷⁵ That same year, George Benson penned a 38-page monograph for the American Enterprise Association entitled *Consolidated Grants: A Means of Maintaining Fiscal Responsibility*.¹⁷⁶ In it, Benson acknowledged some fundamental political realities that the CIR and ACIR studies revealed, namely that “existing grants are not likely to be repealed and that new grants continue to be passed. Even though states might assume financial responsibility for the grant-aided programs, politically there is no chance that they will do so.”¹⁷⁷ Grants had, he acknowledged, helped some communities, stimulated local government services, and improved minimum social policy standards. More importantly, they had developed strong programmatic constituencies made up of federal and state bureaucrats and “pressure groups.”¹⁷⁸ Was there, Benson asked “another solution to the problem?”¹⁷⁹

Benson arrived at his answer, the consolidation of grants-in-aid, only after demolishing others. Namely, he rejected as unrealistic the propositions found in some ACIR studies that states could either successfully reduce their expenditures or increase their revenues independently.¹⁸⁰ Under present political conditions of weak revenues and increasing demand for policy, he argued, states would likely continue to be dependent on federal grants-in-aid. By contrast, CIR and ACIR studies had clarified that categorical grants were ripe for reform. Existing grants “circumscribed” the authority of state legislatures and governors over federal funds in order to service specific functions rather than “state needs.” For instance, grants for public assistance and unemployment compensation helped to “disintegrate” the effective fiscal management of states by specifically prescribing the kinds of organizations that could administer the programs.¹⁸¹

The question, then, was not “whether grants-in-aid can be reduced but whether they can be organized to promote greater state and local autonomy and financial responsibility.”¹⁸² Citing Commission studies, Benson argued that the consolidated grant (synonymous with block grant) provided an answer. Not only would consolidated grants maximize the “efficiency” of federal program by reducing the duplication of effort, they would serve vital political purpose of “restoring the governor’s administrative and fiscal control of his departments,” eliminating the problem of domination by “subordinate agencies.”¹⁸³ “Pressure groups,” he argued, would also “find the going more difficult under the consolidated grant.” A group lobbying for specific federal action under a system of consolidated grants would “find it necessary to diversify and spread its activities through the 50 states as well as Congress” and would be incapable of applying

¹⁷⁵ Folder: Cotton, Norris, Box 330, Roger Freeman Papers, Hoover; U.S. Congress, Senate Committee on Labor and Public Welfare, Subcommittee on Education, Public School Assistance Act of 1961, 87th Cong., 1st sess., March 8–13, 1961, 644;

¹⁷⁶ George C.S. Benson and Harold F. McClelland, *Consolidated Grants: A Means of Maintaining Fiscal Responsibility* (Washington, DC: American Enterprise Association, 1961).

¹⁷⁷ *Ibid.*, 11.

¹⁷⁸ *Ibid.*, 7.

¹⁷⁹ *Ibid.*

¹⁸⁰ *Ibid.*, 11–12.

¹⁸¹ *Ibid.*

¹⁸² *Ibid.*, 16.

¹⁸³ *Ibid.*, 19.

“effective pressure at the national level.”¹⁸⁴ Thus whatever other rationales the ACIR’s members had for embracing consolidated grants, the Commission’s studies helped conservative policy entrepreneurs to target a specific potential benefit: disabling liberal special-interest groups.

General Revenue Sharing. Another policy option debated by both Freeman and Benson in 1961 was what they then called “general grants-in-aid,” later known as general revenue sharing. Unlike consolidated grants, this approach referred to the transformation of existing grants-in-aid to unrestricted transfers to the states for *any* purpose. In its 1955 report, the CIR had rejected general revenue sharing on the grounds that it limited states’ autonomy by further tying revenues to the federal budget.¹⁸⁵ Benson’s later analysis of the Commission’s data endorsed the idea of revenue sharing as the “most desirable” solution to the problem of centralization, but disavowed it for reasons of political feasibility, given that “pressure groups” tended to oppose it.

By contrast, Freeman believed that a larger consensus could be built around revenue sharing, especially given that governors typically supported the idea. Freeman had supported revenue sharing since 1957, when he introduced the idea at a hearing before a Joint Economic Committee.¹⁸⁶ He also promoted the idea among policy professionals in the *National Civic Review* and sent copies of proposals to Sen. Everett Dirksen (R–IL) and Rep. Mel Laird (R–WI) to include in the *Congressional Record*.¹⁸⁷ Laird became the first member of Congress to introduce legislation on revenue sharing in 1958.¹⁸⁸ But the proposal remained largely on the shelf until 1964. In May of that year, Walter Heller, a member of the White House’s Council of Economic Advisors, proposed to President Lyndon Johnson a liberal version of revenue sharing—as a supplemental program designed to spend a potential federal surplus. Heller, too, had long supported his version of revenue sharing.¹⁸⁹ In contrast to Freeman’s proposal, Heller envisioned a traditional Keynesian stimulus program that would allow the federal government to “come to the rescue” of cash-strapped states without “imposing federal control or undermining states’ rights.”¹⁹⁰

After Heller’s pitch, Johnson agreed and helped to establish a task force on the issue led by Brookings Institution economist Joseph Pechman. Before the task force could complete its report, however, Republican presidential candidate Barry Goldwater leapt on the states’ rights issue in September of 1964, using speeches on revenue sharing

¹⁸⁴ Ibid.

¹⁸⁵ CIR, A Report to the President for Transmittal to the Congress (Washington, D.C.: GPO, 1955), 90–118.

¹⁸⁶ Roger Freeman to William Baroody, December 29, 1966, Box 28, Roger Freeman Papers, Hoover.

¹⁸⁷ Compare Roger Freeman, “Grants without Strings,” *National Civic Review* 48 (June, 1959), 298 with Roger Freeman, “Perils of not sharing,” *National Civic Review* 56 (8, 1967): 453–469.

¹⁸⁸ Roger Freeman, Position Paper on Intergovernmental Relations, September 10, 1964; Richard Ware to Roger Freeman, Roger Freeman to William Baroody, December 29, 1966.

¹⁸⁹ David Welborn and Jesse Burkhead, *Intergovernmental Relations in the American Administrative State: The Johnson Presidency* (Austin, TX: University of Texas Press, 1989), 27, 165, 185–186.

¹⁹⁰ Ibid.

Freeman had prepared.¹⁹¹ Freeman had been keenly aware of the Heller proposal and had written to Senator Thomas Curtis (R–MO) in August that, though he personally preferred distributing the budget surplus with a tax cut, Republicans should support revenue sharing as a reasonable compromise that would appeal to state and local governments.¹⁹² Consistent with Freeman’s writings on the issue, Goldwater proposed to use revenue sharing substitute rather than supplement categorical grants-in-aid. Each state would receive a percentage of its collected income tax and in exchange, Goldwater would phase out \$10 billion dollars in categorical programs. As Heller later put it, “[Goldwater] beat us to the punch.”¹⁹³

As it was, the Administration did not release its plan until after the 1964 election and, even then, only did so inadvertently as the result of a press leak to the *New York Times*’ Edwin Dale, Jr. Dale’s story about the administration’s own plan exposed a tension at the core of liberal policy coalitions.¹⁹⁴ State and local governments reportedly gave the proposal a “very favorable reception,” but it caused labor leaders like AFL-CIO’s George Meany “to explode,” given their traditional distrust of state legislatures. By mid-November, the proposal had died as the result of what Heller called “premature exposure.”¹⁹⁵

From Policy Ideas to Legislation. As conservative researchers were coming to develop a more sophisticated understanding of how block grants and revenue sharing would work “on the ground,” ACIR-supported studies began to more broadly diffuse other kinds of strategic knowledge about the political environment for intergovernmental reform. In particular, they revealed greater support for such proposals, especially among governors and state legislatures. A 1963 study on “Problems of Federal-State-Local Relations” released by the Senate Government Operations Committee revealed that a majority of state officials surveyed endorsed block grants (see the top panel of Table 3.10). As one state budget officer put it, block grants would offer “maximum assistance” to the states by giving them “greater responsibility for determining program levels and goals.”¹⁹⁶

In 1964, the Commission also released staff report on revenue sharing, based on interviews with state and local officials and economic analyses to assess the feasibility of multiple approaches to spending the surplus. The report found strong support among state

¹⁹¹ Roger Freeman, Note regarding telephone call with Richard Ware, October 8, 1964, Box 364, Folder: Republican Program, 1964, Roger Freeman Papers, Hoover; Roger Freeman to Richard Ware, October 14, 1964, Box 364, Folder: Republican Program, 1964, Roger Freeman Papers, Hoover; Richard Ware to Roger Freeman, October 26, 1964; Roger Freeman to Karl Hess, May 21, 1964, Folder: Republican Program, 1964, Roger Freeman Papers, Hoover; Roger Freeman, Position Paper on Intergovernmental Relations, September 10, 1964, Box 364, Folder: Republican Program, Roger Freeman Papers, Hoover.

¹⁹² Fiscal Grants to States, Memo for Tom Curtis, August 1964, Roger Freeman Papers, Box 22, Hoover.

¹⁹³ David Welborn and Jesse Burkhead, *Intergovernmental Relations in the American Administrative State: The Johnson Presidency*, 27.

¹⁹⁴ *Ibid.*, 185–186.

¹⁹⁵ *Ibid.*

¹⁹⁶ Senate Committee on Government Operations, *The Federal System as Seen by State and Local Officials: Results of a Questionnaire Dealing with Intergovernmental Relations*, 39.

officials and conservatives for both block grants and general revenue sharing as a means of spending the surplus, yet low support for these proposals among traditional liberal constituencies (See the bottom panel of Table 3.10). Though conservatives clearly viewed block grants and revenue sharing as a “second choice” to tax cuts and tax credits, proposals for revenue sharing and block grants divided liberals from state and local governments, who felt that existing categorical programs “distorted” their policy goals and disliked the fact that conservative-endorsed tax proposals delivered benefits to taxpayers directly.¹⁹⁷

Table 3.10. Political Analysis of Alternatives to Grants-in-Aid, 1963–1964

(a) 1963 Senate Government Operations Committee Survey Results on Block Grants

	Support block grants
State Officials (N=61)	70%
County Officials (N=79)	53
Mayors (N=50)	46
City Managers (N=153)	37
School Board Members (N=61)	71
Professors and Others (N=56)	64

Source: Senate Committee on Government Operations, *The Federal System as Seen by State and Local Officials: Results of a Questionnaire Dealing with Intergovernmental Relations*, 88th Cong., 1st. Sess. (1963).

(b) Summary of ACIR Staff Analysis Findings, 1964

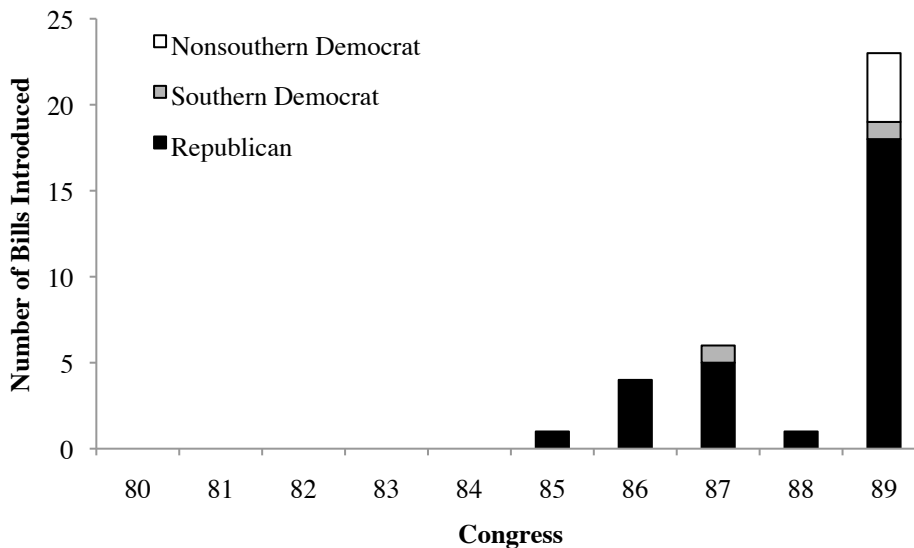
<i>Proposal</i>	<i>Effectiveness from state and local standpoint?</i>	<i>Conservative support likely?</i>	<i>Liberal support likely?</i>
Tax Cuts	Low: benefits accrue directly to taxpayer	Yes	No
Tax Credits	Medium: benefits accrue directly to taxpayer but overcomes resistance to state	Yes	No

¹⁹⁷ ACIR, *Six Ways of Distributing a Federal Surplus* (Washington, DC: GPO, 1964).

	and local taxation		
General Revenue Sharing	High: states are left free to allocate funds amongst competing needs	Yes	No
Block Grants	High: states are left free to allocate funds amongst competing needs	Yes	Yes
Categorical Grants	Medium: Efficient but distorts state and local priorities	No	Yes
Direct Federal Expenditures	Low: frees states from financial responsibility but not politically expedient.	No	Yes

Source: ACIR, Staff Report: Six Ways of Distributing a Federal Surplus (Washington, DC: GPO, 1964).

Figure 3.4. Revenue Sharing or Block Grant Bill Introductions



Note: For a full list of bills and their sponsors, see Appendix Table A3.

Conservative policy entrepreneurs thus had numerous opportunities to recognize the appeal block grants and revenue sharing to appeal to core constituencies of elected officials at the state and local level. As Figure 3.4 shows, the introduction of block-grant and revenue-sharing legislation between the 85th and 88th Congresses came largely from Republicans and tracked closely behind the creation of the ACIR. Like legislation on the termination of grants-in-aid, these proposals did not achieve legislative success during the

first half of the 1960s and lingered on members' desks and received only limited consideration in legislative hearings. Yet they provided a solid basis for further efforts during the 89th Congress. And as the next chapter will confirm, they constituted a pre-existing set of solutions for the "backlash" to the Great Society.

Conclusion

At his most quotable, the *National Review*'s Brent Bozell described the conservative habit of mind as one of disassembly. *The Conscience of a Conservative*, which Bozell ghostwrote for Barry Goldwater in 1960 put it frankly:

I have little interest in streamlining government or in making it more efficient, for I mean to reduce its size. I do not undertake to promote welfare, for I propose to extend freedom. My aim is not to pass laws, but to repeal them. It is not to inaugurate new programs, but to cancel old ones that do violence to the Constitution, or that have failed their purpose, or that impose on the people an unwarranted financial burden.¹⁹⁸

Cast in these terms, the early 1960s were a last gasp for the conservative coalition. While conservatives managed to hold off numerous New Frontier initiatives, the demise of conservative control on the Rules Committee signaled that the days were numbered for an obstruction-centered legislative strategy. With the election of President Lyndon Johnson in 1964 and sweeping Democratic victories in Congress, obstructionist efforts would only experience further paralysis as the flood of Great Society legislation emerged from presidential task forces.

At the same time, however, conservative policy entrepreneurs, with the help of the ACIR, were slowly beginning to refocus political debates over the role of the federal government from divisive confrontations over "states' rights" to expert-dominated discussions about intergovernmental relations that attracted the interest of policy professionals and state and local officials. To create the ACIR, Lawrence Fountain had relied on support from state and local officials and promoted the organization in futuristic terms, as uniquely equipped to deal with the problems of an "increasingly complex" American government in the "space age."

Once established, the ACIR broke new ground for federalism reforms in three ways. First, it developed a dedicated team of highly respected professionals, well acquainted with how new information on policy problems led to major reforms. Staff members like William Colman and Laszlo Ecker-Racz were well equipped to generate useful studies as well as draft legislation to members of Congress and officials at the sub-national level. As the story of the Kennedy administration's failed attempt at creating a cabinet-level housing department suggests, ACIR studies were useful to conservatives in reframing highly charged, ideological debates into discussions of "good governance."

¹⁹⁸ Barry Goldwater, *The Conscience of a Conservative* (Shepardsville, KY: Victor Publishing Company, 1960), 15.

Second, the ACIR was better equipped than its predecessor to broker relationships between conservatives and officials from state and local government. It was a unique forum for deliberating about problems of federal grants-in-aid, especially given that organizations of state and local officials had largely chosen to focus on other issues. As such, the ACIR strongly incentivized participation from these officials in policy debates. The Commission's structure also ensured representation from multiple levels of government, including members of Congress. Thus when the ACIR produced studies, its members could quickly introduce relevant legislation and build support coalitions from associations of state and local officials. Moreover, the organization's permanent status ensured that its members could deliberate on even highly controversial issues without jeopardizing the entire project, allowing members to iteratively identify issues of mutual interest with a high likelihood of positive action. The Commission eventually catapulted the issue of congressional review and termination of grants-in-aid into the congressional spotlight, galvanizing support from congressional conservatives and state and local officials. This move pushed liberals onto the defensive and forced federal agencies into a public posture of "vested interests" working to preserve, rather than ameliorate, irrational rules.

Finally, the ACIR's examination of alternatives to grant-in-aid programs supplied conservative policy entrepreneurs with two types of useful strategic knowledge. Policy researchers like Roger Freeman and George Benson used the ACIR's studies to develop detailed policy knowledge in order to map out just how a conservative program of grant consolidation and revenue sharing might work. While this knowledge diffused slowly, it allowed Freeman and Benson to draft legislative proposals and write knowledgeable speeches for congressional conservatives. Additionally, ACIR surveys examined the extent of political support for proposals on block grants and revenue sharing, which provided further evidence to conservatives about the political viability of these alternatives. Since the CIR had first placed these alternatives on the table and the ACIR kept them on the table, adapting them to new scenarios, it is unlikely that conservative policy entrepreneurs would have promoted them on their own in the absence.

By 1965, then, the ACIR had gone significantly further than its predecessor in softening the ground for a conservative legislative success on intergovernmental relations. More than simply reframing the debate around rational questions of policy, it had begun to construct the coalitions and furnish the alternatives necessary for reform. As the next chapter shows, the existence of these frames, coalitions, and policy alternatives prior to the enactment of Great Society legislation was essential in structuring how conservatives responded to an increasingly activist federal government.

Chapter Four

Preempting and Discrediting “Creative Federalism”: Conservatives, the ACIR, and the Great Society, 1965–1968

The basis of creative federalism is cooperation. If Federal assistance programs to State and local governments are to achieve their goals, more is needed than money alone. Effective organization, management and administration are required at each level of government. These programs must be carried out jointly; therefore, they should be worked out and planned in a cooperative spirit with those chief officials of State, county and local governments who are answerable to their citizens.

Lyndon B. Johnson (1966)¹

This is neither “creative” nor is it “federalism.” It is instead *cremativ*e and is likely to consume us all. Unless and until the Johnson–Humphrey Administration is prepared to prove the sincerity of its use of the word “partnership,” we will be skeptical... Unless the Administration is prepared to insist that its bureaucrats not only faithfully carry out the wishes of the people’s representatives in Congress but, in doing so, cooperate fully and freely with state and local officials, credibility will be in short supply.

Everett M. Dirksen (1967)²

The years between 1965 and 1968 were awash in liberal policy victories that expanded the scope of national governing capacities.³ Yet by the end of the 89th Congress, Great Society reforms faced refreshed and strengthened opposition from congressional conservatives, at the heart of which was a set of policy ideas developed by the ACIR.⁴ As this chapter shows, the ACIR provided a neutral language for discrediting Great Society programs, a unique venue for coordination between a diverse set of actors who wished to challenge these programs, and a set of reform options conservative policy entrepreneurs could quickly adopt. While conservatives on the ACIR remained keen on dismantling the infrastructure of categorical grants-in-aid, commission reports and routine meetings

¹ Lyndon B. Johnson, “Memorandum on the Need for ‘Creative Federalism’ Through Cooperation With State and Local Officials,” November 11, 1966, available: <http://www.presidency.ucsb.edu/ws/?pid=28023>, accessed January 10, 2015.

² U.S. Congress, A Record of Press Conference Statements made by Senator Everett McKinley Dirksen and Representative Gerald Ford for the Joint-Senate House Republican Leadership, 90th Cong., 1st sess., 9.

³ See, among others, Sidney Milkis and Jerome M. Mileur, eds. *The Great Society and the High Tide of Liberalism* (Amherst, MA: University of Massachusetts Press, 2005); David W. Welborn and Jesse Burkhead, *Intergovernmental Relations and the American Administrative State: The Johnson Presidency* (Austin: University of Texas Press, 1989).

⁴ Allan Matusow, *The Unraveling of America: A History of Liberalism in the 1960s* (New York: Harper and Row, 1984); Roger Biles, *The Fate of Cities: Urban America and the Federal Government, 1945–2000* (Lawrence, KS: University Press of Kansas, 2011), 112–160.

allowed them to find common ground with state and local officials, who supported federal grants but opposed the Great Society's categorical approach, which distributed authority and resources to program specialists in state and local bureaucracies and liberal interest groups that threatened the control of state capitols and city halls. Whereas categorical programs had previously been subject to strong policy feedback, the ACIR helped to draw together an alternative coalition of state and local officials and a new set of policy alternatives would push for block grants and revenue sharing that would redirect resources away from categorical defenders and place the Johnson Administration on the defensive about the Great Society.⁵

The first half of this chapter describes the increasing relevance of the ACIR as a policy-planning organization in the latter half of the 1960s. Between 1964 and 1968, the Commission developed a more prodigious research program, and began to use its existing research capacity to place intense scrutiny on emerging Great Society programs. The ACIR also served as a singular brokerage point for both state and local officials, who were wrestling with implementing new federal programs and unable to mobilize a coherent response on their own, and conservative policy entrepreneurs, who relied on the Commission to build relationships with state and local officials and build consensus for reform. Supporting the reform proposals endorsed by this coalition was hardly a foregone conclusion for conservative interest groups and partisan elites. Yet the ACIR's network of intergovernmental experts provided specialized policy knowledge to task forces within the newly organized Republican Coordinating Committee (RCC), whose members became increasingly interested in the ACIR's policy alternatives, namely block grants and revenue sharing.

The latter half of the chapter shows the results of a more active ACIR. First, the ACIR's research helped to critically frame elite evaluations of Great Society programs and of racial unrest in major American cities. As a result, congressional debates and journalistic coverage focused largely on the inability of state and local officials to control poverty programs, rather than their substantive poverty-alleviating effects, and of the fiscal limitations on state and local governments that limited their capacity to respond to civil unrest. In particular, conservative policy entrepreneurs within the RCC deployed these specific explanations as justifications for revenue sharing programs during the 90th Congress and during the 1968 campaign season.

Second, the ACIR helped to build a political coalition behind a general reform to federal grant-in-aid programs, which passed in 1968. While conservatives ultimately lost on their initiative for automatic termination of grant-in-aid programs, it died only in a late stage of the process. By this point, Congress had enacted a sweeping reform to mandate intensified review of federal programs and a greater voice for state and local elected officials in how, and whether, federal funds were spent, opening up new venues in which conservatives could challenge federal grants-in-aid. By contrast, the Johnson Administration's defensive response, a program for state and local government

⁵ See Richard R. Warner, "The Concept of Creative Federalism in the Johnson Administration" (Ph.D. Diss, American University, 1970), 250–256.

modernization and a new intergovernmental affairs council, lacked vigorous ACIR backing and met with a frigid reception in Congress.

Finally, RCC task forces' work at generating ACIR-vetted policy alternatives paid off. Between 1967 and 1968, conservatives successfully employed block grants to threaten supporters of the Elementary and Secondary Education Act into making substantial revisions to the program, and to rework major administration initiatives in the areas of public health and law enforcement. Whereas Republicans used revenue sharing as a "talking issue" during the 1968 campaign season, they could already cite their efforts on block grants as a positive attempt to deal with political and social dilemmas created or sustained by the activist state.

I. The ACIR and the Great Society

The Great Society's major reforms, as Hugh Davis Graham suggests, were the product of presidential task forces and commissions, which brought diverse stakeholders together to study problems, build consensus, and propose policy alternatives.⁶ In contrast to these presidential commissions, which generally supported Great Society programs, the ACIR had by 1965 developed mutually reinforcing capacities for exposing these policies to public scrutiny, bringing major intergovernmental stakeholders together, and developing strategic knowledge that yielded alternatives conservatives could endorse. First, whereas presidential task forces had been largely oriented towards defining substantive policy problems and solutions, the ACIR's focus by 1964 was on the fiscal and administrative problems created by *federal programs themselves*. Its assessments were not those of poverty specialists but of administrative generalists, better capable of identifying "mess" than success.⁷ Moreover, commission reports either blatantly ignored politically fraught issues of racial disfranchisement or treated them as "administrative dilemmas" which could be solved by placing more control in the hands of governors or mayors. This may be unsurprising given that Nonsouthern Democrats made up on average only 40 percent of the Commission's voting members in the years between 1964 and 1968 (see Figure 4.1).

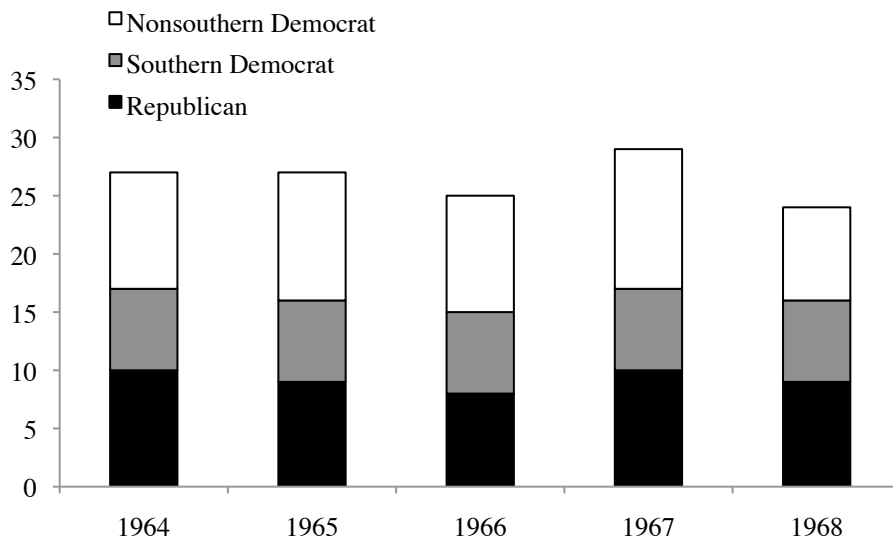
Unlike presidential task forces, the ACIR also served as a focal point for actors adversely affected by Great Society programs. State and local officials found it difficult to mobilize on their own or through their national organizations and turned to the ACIR for assistance. Conservative policy entrepreneurs also saw the Commission as a valuable asset and used it to build relationships with state and local officials. Johnson ultimately had little control over the ACIR.

⁶ Hugh Davis Graham, "The Ambiguous Legacy of American Presidential Commissions," *The Public Historian* 7 (2, 1985): 5–25.

⁷ On the role of substantive policy discussions, rather than administrative debates, in presidential task forces and commissions, see Hugh Davis Graham, *The Uncertain Triumph: Federal Education Policy in the Kennedy and Johnson Years* (Chapel Hill, NC: University of North Carolina Press, 2011); Alice O'Connor, *Poverty Knowledge: Social Science, Social Policy and the Poor in Twentieth Century U.S. History* (Princeton, NJ: Princeton University Press, 2007), 139–165;

Finally, while presidential task forces were temporary creations of the President, published reports at his pleasure, and were generally disbanded after the enactment of major policies, the ACIR was permanent and insulated from presidential control.⁸ Johnson's nominations were statutorily limited by the recommendations of state and local government agencies. And all but one of the five members appointed by their colleagues in Congress had served on the Commission since it was established. Moreover, the Commission's process for initiating, reviewing, and releasing reports operated entirely independently of the Administration. It thus became one of a very small number of organizations within the federal government to monitor, report on problems with the implementation of these programs, and to propose solutions. These post-enactment efforts subsidized conservative policy entrepreneurs eager to create viable alternatives to Great Society programs.

Figure 4.1. Commission Members by Party Affiliation, 1964–1968



Source: Author's Coding of ACIR, 5th–9th Annual Reports (Washington, DC: GPO, 1964–1968).

Keeping an Eye on the Great Society's Bureaucracy

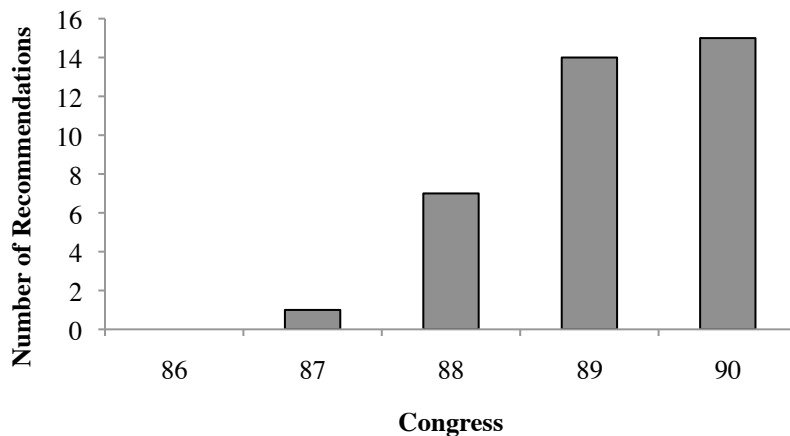
The swath of Great Society reforms did not fundamentally change the ACIR's research orientation. Just as it did during its formative years, the Commission staked its reputation on identifying providing a combination of helpful informational reports to officials at all levels of government and specific, policy-focused reports accompanied by draft legislation.⁹ Nor did the ACIR alter its policy focus. Rather than analyzing the substantive content of federal policies or assessing social or economic barriers to their success, the ACIR continued to highlight administrative problems and advocate for

⁸ George T. Sulzner, "The Policy Process and the Uses of National Governmental Study Commissions," *The Western Political Quarterly* (1971): 438–448; For the recollections of a disgruntled member of a presidential commission see Daniel Bell, "Government by Commission," *Public Interest* 3 (1966): 3–9.

⁹ Wayne A. Clark, *A History of the Advisory Commission on Intergovernmental Relations* (Washington, DC: ACIR, 58–77).

periodic termination of grant-in-aid programs, stronger discretion for state and local elected officials, and measures to coordinate taxation between state and local governments. In producing this information, the ACIR accomplished something conservatives could not have done on their own: turning what were essentially political critiques of how the Great Society redistributed authority and resources and set off policy feedbacks into neutral assessments of the programs worked administratively. Even hot-button issues like the role of Community Action Agencies (CAAs) in the War on Poverty were sanitized into discussions of “local discretion.” In *Intergovernmental Relations in the Poverty Program* (1966), the ACIR made no mention whatsoever of the racial dimension of the confrontation between CAAs, city halls, and state capitols.¹⁰

Figure 4.2. ACIR Policy Recommendations on Federal Grants-in-Aid, 86th–90th Congresses (1959–1968)



Source: Author’s coding of ACIR, 1st–9th Annual Reports (Washington, DC: GPO, 1960–1968).

What changed, if anything, was that the ACIR’s accumulation of information reinforced its ability to produce strategic knowledge about policy alternatives. Whereas overburdened executive agencies were often slow to produce favorable analyses of the programs they managed, the ACIR now could apply its existing research techniques and data to produce policy recommendations on how to reform new grant-in-aid programs.¹¹ As Figure 4.2 shows, the number of recommendations on reforms to federal grant-in-aid programs contained in ACIR reports doubled between the 88th and 89th Congresses. Rather than abstract recommendations for reform, as the Commission’s William Colman put it, the ACIR’s studies tended to be “sharp and specific.”¹² Studies of the poverty program, for instance, built on earlier research into urban and metropolitan policies to

¹⁰ ACIR, *Intergovernmental Relations in the Poverty Program* (Washington, DC: GPO, 1966).

¹¹ The slow development of agencies’ analytical capacity during the War on Poverty is well captured in Alice O’Connor, *Poverty Knowledge: Social Science, Social Policy, and the Poor in Twentieth-Century U.S. History* (Princeton, NJ: Princeton University Press, 2007), 166–196.

¹² Wayne A. Clark, *A History of the Advisory Commission on Intergovernmental Relations*, 73.

generate a survey of CAAs as well as state and local officials implementing the Economic Opportunity Act of 1964.¹³ The report framed the poverty program's flaws in the ACIR's distinctive style. Rather than focusing on the economic or political barriers to "solving the poverty problem," as had the task forces that designed it, the Commission placed the blame on the program's administration, suggesting that the "unique contributions and strengths of the states are not being utilized."¹⁴ While "some blame" could be attributed to "weak or apathetic State action" to implement the program, the report echoed the critiques of earlier ACIR studies by targeting its criticism at the "minor and negative role assigned to the States under the act."¹⁵ Since it relied almost solely on a survey of state and local officials to generate its findings, the report's main critiques of the poverty program focused not on its effects on poverty but on the administrative "complexity" generated by the Office of Economic Opportunity (OEO) which added "one more layer to the growing number of federally aided programs and agencies at the local and regional level" concerned with planning physical and human resources.¹⁶ Unsurprisingly, then, the report's 14 recommendations to Congress and the OEO called for greater deference by the OEO to governors and city halls to address the program's "many weaknesses" and measures to give preference to Job Corps and Community Action Programs run by elected officials.¹⁷

Commission members reassembled these individual program studies to advocate more forcefully for reforms to the entire system of grant-in-aid programs in the magisterial 1967 report *Fiscal Balance in the American Federal System*.¹⁸ Adding up to over 800 pages and taking over two years to complete, *Fiscal Balance* articulated the ACIR's framing of the central problems in contemporary federal domestic policy. Unlike economic studies of fiscal federalism, such as those by Walter Heller and Joseph Pechman, the Commission did not simply focus on fiscal constraints on state and local governments' capacity to raise revenues and the need for economic stimulus. Rather, the bulk of the report centered on the distribution of political authority.¹⁹ The report's chapter on revenue sharing opened by acknowledging that the ten-fold increase in state and local expenditures since World War II had propelled the public sector "to ever higher levels, largely beyond the control of its political managers."²⁰ Thus,

the unremitting pressure for additional [state and local revenue] poses a clear-cut challenge to a decentralized system of government. Political influence and

¹³ Ibid.; ACIR, *Statutory and Administrative Controls Associated With Federal Grants for Public Assistance* (Washington, DC: GPO, 1964).

¹⁴ ACIR, *Intergovernmental Relations in the Poverty Program*, 160.

¹⁵ Ibid., 160.

¹⁶ Ibid., 161.

¹⁷ Ibid., 162.

¹⁸ ACIR, *Fiscal Balance in the American Federal System*, vols. I and II (Washington, DC: GPO, 1967).

¹⁹ ACIR, *Fiscal Balance in the American Federal System* vol. I, 5–45.

²⁰ Ibid., 46.

control, of necessity, gravitate to that level of government that experiences the least political difficulty in raising revenues.²¹

In addition to expanding on its existing studies of tax overlapping, the report typologized and tallied programmatic constraints on state and local governments contained in the Great Society’s grant programs and identifying the number of overlapping federal departments that states and localities had to manage relationships with (see Figure 4.3).²² Interspersed with these statistical portraits were dramatic interview quotes with governors and mayors who complained of the “rigidity of federal administrative authority which hampered both needed and desired authority.”²³ What followed from this was that federal grants-in-aid and revenue sharing used *not* to achieve congressional ends or to “stimulate the economy,” but instead to facilitate the fiscal development and autonomy of state and local governments. The ACIR thus proposed a three-pronged approach to “restoring balance” that blended together the concerns of its members: (1) further consolidate categorical grant programs into block grants and provide increasing flexibility for elected officials in categorical programs that remain unconsolidated; (2) introduce an extensive system of general revenue sharing to stimulate state and local public goods provision; and (3) provide individual tax credits on income taxes paid to state and local governments in order to enable these governments to raise revenues.²⁴

Figure 4.3. Number of Regional Offices of Federal Grant-Administering Departments



Source: ACIR, *Fiscal Balance in the American Federal System*, vol. 1 (Washington, DC: GPO), 182.

The ACIR’s informational studies also helped to reinforce the organization’s brokerage capacity by providing state and local officials with valuable tools to help them

²¹ *Ibid.*, 45–46.

²² *Ibid.*, 137–260.

²³ *Ibid.*, 171.

²⁴ *Ibid.*, 5–6.

understand their interest in and options for responding to the growth of federal programs.²⁵ In 1964, the Commission began cataloguing its own library of federal publications on grant-in-aid data, official pronouncements of eligibility and federal rules and compiled an 18-page bibliography to distribute at national conferences. In 1965, the Commission's *State Legislative Program* also yielded a set of recommendations and examples of how governors could solve the problem of the increasing number of cozy relationships between federal and state agencies, which prevented their effective control of government, and issued draft legislation that would allow states to "fully utilize" federal grants, not to meet congressional goals per se, but to improve states' own capacity for management and policy evaluation.²⁶ In sum, as Great Society legislation was implemented, the ACIR deployed its existing research program and policy recommendations to meet new challenges and provide specific suggestions for reform, at both the state and federal level.

Helping Governments (and Businessmen) Work Together: The ACIR as Broker
Categorical programs enacted between 1964 and 1965 largely reinforced the patterns the ACIR observed in the early 1960s by empowering policy specialists at the expense of governors and mayors and funneling resources to urban constituencies.²⁷ The War on Poverty's Community Action Agencies also stoked fear among mayors in machine-dominated cities about African Americans' increasing political incorporation and residential integration.²⁸ While it might be tempting to think these patterns were all that drove conservatives into a coalition with state and local officials in the absence of the ACIR, the opposite is true. As this section shows, state and local officials' own lack of capacity to coordinate their opposition to federal programs in the absence of the ACIR would have made them ineffective coalition partners.

By 1965, the ACIR had become central to coordinating their action and developing policy expertise, or as William Colman put it in a 1965 article in the *Georgia Municipal Journal* "helping governments work together."²⁹ In particular, the Commission provided a unique forum for conservatives and state and local officials to coordinate their efforts. As Figure 4.4 shows, state and local officials continued to be highly involved in the Commission's deliberations throughout the period surveyed. More than half of the ACIR's state and local members attended each meeting it held between 1965 and 1968. Federal agencies, increasingly eager to gain state and local cooperation on new reforms,

²⁵ Notes from 21st Meeting, October 14–15, 1965, EMA, Box 397, Series V: Subseries A: Washington Office 1959–1980, Bates.

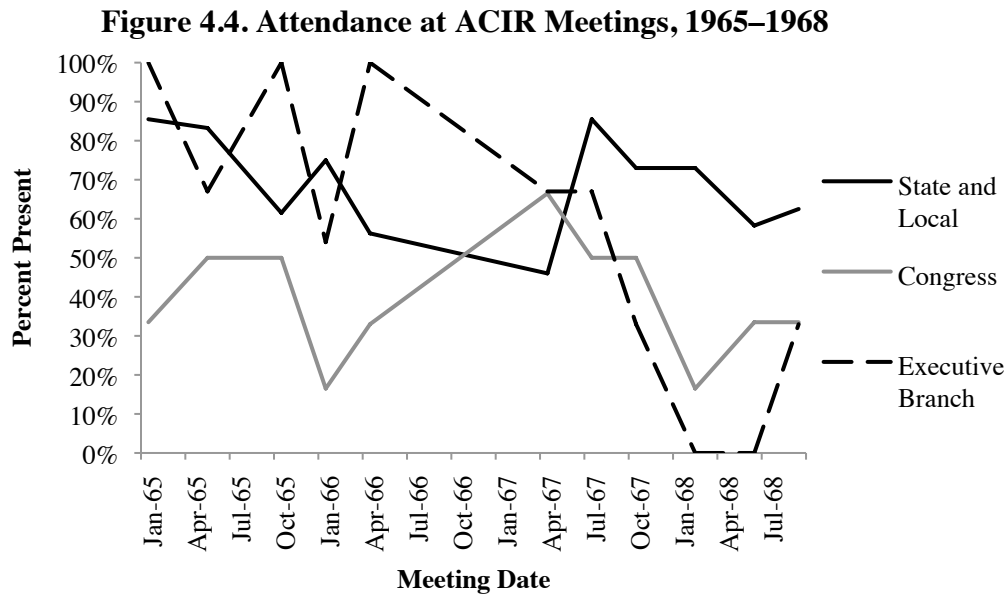
²⁶ ACIR, 1965 State Legislative Program (Washington, DC: GPO, 1965), 180–199; 163–173.

²⁷ Terry Sanford, *Storm Over the States* (New York: McGraw Hill, 1967); Thad Beyle, "The Governor's Formal Powers: A View from the Governor's Chair," *Public Administration Review* (1968): 540–545.

²⁸ Richard M. Flanagan, "Lyndon Johnson, Community Action, and the Management of the Administrative State," *Presidential Studies Quarterly* 31 (4, 2001): 585–608; Adam Cohen and Elizabeth Taylor, *American Pharaoh: Major Richard J. Daley: His Battle for Chicago and the Nation* (Boston: Little, Brown, 2001); Steven P. Erie, *Rainbow's End: Irish-Americans and the Dilemmas of Urban Machine Politics, 1840–1965* (Berkeley, CA: University of California Press, 1988), 140–190.

²⁹ William Colman, "Helping Governments Work Together," *Georgia Municipal Journal* 15 (March, 1965): 6–8.

also began to seek attend ACIR meetings at a higher rate than they had in the past.³⁰ But by this point, much of the Commission’s research agenda had been set and included what would become the most extensive and damaging assessments of Great Society programs in print.³¹



Source: See Figure 3.2.

The ACIR was an effective broker in part because it solved two central problems faced by organizations of state and local officials.³² First, these organizations found it extraordinarily difficult to coordinate their action in response to federal programs. By 1966, the Governor’s Conference held an emergency interim session to address governors’ ineffective response to the growth of federal programs. A Critique Committee lashed out at the Conference’s weak capacity for policy influence and emphasis on social activities at annual meetings, suggesting that, “this is a conference of chief executives— not a legislative Audubon Society. Our aims then must be to determine how to improve our means of arriving at policy positions and our means of implementing such positions.”³³

The roots of the problem were many. Independently, governors did not exercise their “right as leaders in state government before the policy-making machinery in Washington,” in part because it was “politically difficult,” not to mention costly and

³⁰ Wayne Clark, *A History of the Advisory Commission on Intergovernmental Relations*, 59.

³¹ David Welborn and Jesse Burkhead, *Intergovernmental Relations and the American Administrative State*, Chapter 4.

³² On the challenges faced by intergovernmental groups, see Totten J. Anderson, “Pressure Groups and Intergovernmental Relations,” *The Annals of the American Academy of Political and Social Science* 359 (1, 1965): 116–126.

³³ NGC, Proceedings of Special Interim Meeting, December 16–17, 1966, White Sulphur Springs, WV, 15.

time-consuming, to leave the state capitol to travel to Washington.³⁴ Committee hearings went on without extensive gubernatorial representation or a consideration of state interests. Thus the Conference was not doing its job; in the current budget for the Council of State Governments' Washington office provided for three senior staff, three junior staff, and four secretarial clerical employees. If it were doubled, the Critique Committee complained, it would still be "appreciably smaller" than that of other interest groups.³⁵ Staff resources were such that the Conference had failed to provide a unified response to new policies on "agriculture, economic development, education, housing and urban development, and transportation among others of significance to federal-state relations."³⁶ Concerning follow up with members of Congress, the Conference's record "may be described as occasionally good but more often erratic...halting, or in a word, inadequate."³⁷

Undergirding the difficulties in coordination was a deep skepticism on the part of many governors on the idea that the states had unified interests at all. The problem was nothing new. Governors in vastly different fiscal situations had previously found it impossible to develop unified proposals on federal block grants or revenue sharing. The major influx of federal programs only served to accentuate the difficulties of coordination. Thus even when the Critique Committee proposed creating a more extensive Washington office, Governor (later Senator) Clifford Hansen (R-WY) shot back that he saw "little merit in establishing an office to proclaim our unanimity when one of our primary problems is the very differences that make us dissent from the idea of monolithic federal solutions."³⁸ Whereas Hansen suggested that governors should "make better use" of the ACIR, going to Washington like any other interest group was an abdication of "governors' duties and responsibilities with the excuse that the federal government is moving in and taking over."³⁹

Hansen's argument reflects just how important the ACIR had become in solving governors' coordination problem through promoting for increased state discretion and a diversity of options. The ACIR—not the governors—had put periodic review and termination of grants-in-aid on the table. In 1965, Commission member Arthur Naftalin urged the governors to "pay very close attention to the contents of this legislation," which he hoped would receive "greater interest and support among the governors" because it is aimed at developing much greater consistency among the rapidly increasing grant-in-aid programs" and making federal programs "consistent with local objectives."⁴⁰

Relatedly, the ACIR's proposal had represented a policy that advantaged states without alienating county and city officials, who often worked at cross-purposes with governors.⁴¹ The Commission also earned endorsements from state, county, and local

³⁴ Ibid., 19.

³⁵ Ibid., 16.

³⁶ Ibid.

³⁷ Ibid., 17.

³⁸ NGC, Proceedings, July 4–7, 1966, Los Angeles, CA, 42–43.

³⁹ Ibid.

⁴⁰ NGC, Proceedings, July 25–29, 1965, Minneapolis, MN, 16–17

⁴¹ NGC, Proceedings of Special Interim Meeting, December 16–17, 1966, 16.

officials both on the Commission itself and on an informal team of “critics” that recommended revisions to the report and recommendations as the professional staff prepared them. These decision-making procedures successfully helped state and local officials to work together to defend common interests, including the recapturing of revenue sources and discretion over policy decisions.⁴² The ACIR’s Gov. Robert Smylie (R-ID) adopted this frame in a speech at the conference of the International Association of City Managers, citing the “tremendous lack of financial capacity under which state and localities labor” and asking if there was a city manager in the room who believed that “states and localities do not have the primary responsibility for meeting these problems?”⁴³ Unsurprisingly, governors like Smylie repeatedly referred to Governors’ Conference’s restructuring efforts as being “complementary” to the mission of the ACIR.⁴⁴

A second problem the ACIR solved for state and local organizations was their inability to develop comprehensive sources of data about the implementation of federal programs. As Table 4.1 shows, the Council of State Governments continued to produce few relevant studies on intergovernmental problems during this period. The Governor’s Conference also criticized its own failure to “identify the problem areas, convey facts of both background and current nature and provide the raw materials from which practicable alternative courses may be devised.” Whereas there were “literally scores of federal agencies, any one of which at any time may be developing or announcing a program or position of interest to the states,” the Conference itself had little. And with the exception of ACIR studies, “precious little” information from Washington reached Governors “in a form usable to them in the conduct of federal–state relations.” Even on subjects of “crucial importance to the states,” such as taxation of multistate businesses, were reported by the press “in general terms or not at all.”⁴⁵

To the extent governors tried to address these problems at all, the ACIR’s help was required. In 1965, the Conference held special sessions on problems with federal statistical data, which “concealed rather than revealed the postwar problems in states and regions” and precluded the identification of “new and feasible approaches” to federal grants-in-aid policy.⁴⁶ Yet even the governors’ decision to discuss the measure had grown out of problems identified by early informational reports produced by the ACIR and a National Conference on Comparative Statistics the Commission had organized at the National Science Foundation.⁴⁷

⁴² See, for example, ACIR *Intergovernmental Problems in Medicaid* (Washington, DC: Advisory Commission on Intergovernmental Relations, 1968), vi.

⁴³ Robert Smylie, *Federal–State Involvement in Metropolitan Problems in the United States*, Remarks at the Convention of the International Association of City Managers, Montreal, Canada, September 21, 1965, Ray Bliss Papers, Box 113, OHS.

⁴⁴ NGC, Proceedings, July 4–7, 1966, Los Angeles, CA, 37; NGC, Proceedings, October 16–24, 1967, SS Independence and U.S. Virgin Islands, 122, 167

⁴⁵ NGC, Proceedings of Special Interim Meeting, December 16–17, 1966, White Sulphur Springs, WV, 16–17.

⁴⁶ National Governors’ Conference, Annual Meeting, 1965, 114.

⁴⁷ *Ibid.*, 117; Advisory Commission on Intergovernmental Relations, *Annual Report* (Washington, DC: Advisory Commission on Intergovernmental Relations, 1966), 40.

Table 4.1. Topics of Council of State Governments' Policy Reports, 1960–1968

	<i>State Fiscal Issues (No Federal– State Dimension)</i>	<i>Interstate Compacts or Coordination</i>	<i>Federal– State Relations</i>	<i>Individual State Policies</i>	<i>Total</i>
1960–1965	1 (4%)	4 (15%)	1 (4%)	21 (78%)	27 (100%)
1966–1968	1 (6%)	1 (6%)	4 (22%)	12 (67%)	18 (100%)

Source: Council of State Governments, *Book of the States*, 1950–1968.

Similarly, while governors endorsed general alternatives to the emerging problems of the Great Society, such as block grants and revenue sharing, their suggestions were hazy and often simply endorsed existing ACIR proposals, which provided an elaborate synthesis of policy problems and a specific set of solutions. In 1965, the Governors' Conference had only recommended *studying* revenue sharing and made no mention of block grants whereas the ACIR had already released several reports examining both alternatives in detail.⁴⁸ In 1966, the Conference mentioned block grants and revenue sharing but made no specific policy proposals.⁴⁹ In 1967, the Conference's Committee on Federal-State Relations only brought up block grants to suggest that its members agreed, "with recommendation of the ACIR that the President should be given the authority to consolidate these grants through reorganization plans submitted to Congress."⁵⁰ Similarly, in 1968, the Conference abstained from making specific policy recommendations and instead pointed to the fact that "a report containing policy recommendations on urban and regional policy and fiscal imbalance is forthcoming from the Advisory Commission on Intergovernmental Relations."⁵¹

Given the extensive involvement of state and local officials on the Commission, as well as the absence of similar venues, conservatives also had incentives to use the ACIR to build relationships and coordinating reform efforts with these actors.⁵² In early 1966, the U.S. Chamber of Commerce relied on the ACIR to facilitate its own Community Development Program, which aimed to "guide community leaders in

⁴⁸ National Governors' Conference, Annual Meeting, 1965, 61–62.

⁴⁹ National Governors' Conference, Annual Meeting, 1965, 236.

⁵⁰ National Governors' Conference, Annual Meeting, 1967, 84.

⁵¹ National Governors' Conference, Annual Meeting, July 21–24, Cincinnati, Ohio, K-10, K-11.

⁵² U.S. Congress, House of Representatives, Committee on Government Operations, Subcommittee on Intergovernmental Relations, Hearings on the Federal Role in Urban Affairs, Part 10, 89th Cong., 2nd sess., December 7, 1966, 2266–2270. See, also Box 290, Folders on Correspondence with Advisory Commission on Intergovernmental Relations, Roger Freeman Papers, Hoover.

applying to the problems of our cities and towns.”⁵³ A central part of the Chamber’s mission was to raise consciousness about the possibility of greater community control over federal grant programs. With the help of the ACIR’s William Colman, the Chamber and the Commission jointly held conferences in 34 states aimed at initiating “the development of a sound, coordinated program” to “revitalize local and state government.”⁵⁴ At the conferences, members of the Chamber’s Washington staff met with representatives of the National League of Cities, the U.S. Conference of Mayors, and the Council of State Governments to plan and strategize on a discrete set of reforms, developed in part by the ACIR, including: revenue sharing, federal income tax credits for state and local taxes, and, the consolidation of categorical grant programs into broad block grants.⁵⁵

In Nashville, for example, the Chamber’s representatives had developed a community-development program called “Move Up With Nashville” with the help of the ACIR’s Beverly Briley.⁵⁶ The program consisted of a series of public forums in which Briley and local business leaders argued that the city should push for greater local control over federal funds. While the meetings often hinted at issues of race, and specifically dealt with the Watts riots, Briley’s framing of the problem emphasized the lack of adequate local control of government. As Briley put it:

There is a revolution taking place in our midst. It is a vast revolution of change. And this revolution touches every resident of Metropolitan Nashville and Davidson County. There is no escaping it. No man can live remote from it... This is not a race problem. It isn’t a housing problem. It isn’t just a public welfare problem. It isn’t just an educational problem. It’s a complex combination of many things. If left unsolved, it breeds many other problems, foremost among which is crime.⁵⁷

Among the ACIR’s biggest proponents in the community of conservative policy entrepreneurs was Jo Bingham, a lead researcher in the National Association of Manufacturers’ (NAM) Intergovernmental Relations Division. In 1965, Bingham took a particular interest in the ACIR, and began to offer her services on teams of critics the Commission employed to review its studies.⁵⁸ As Bingham saw it, businesses benefited from a more decentralized federal government not just because it might “decelerate”

⁵³ U.S. Congress, House of Representatives, Committee on Government Operations, Subcommittee on Intergovernmental Relations, Hearings on the Federal Role in Urban Affairs, Part 10, 89th Cong., 2nd sess., 2267.

⁵⁴ *Ibid.*, 2266–2270.

⁵⁵ *Ibid.*

⁵⁶ U.S. Congress, Senate Committee on Government Operations, Subcommittee on Intergovernmental Relations, Hearings on Creative Federalism, Part 2-B, 90th Cong., 1st sess, February 7, 9, March 21–22, 1967, 929–932.

⁵⁷ *Ibid.*, 929–930.

⁵⁸ Jo Bingham, “Save Our States,” *Intergovernmental Relations Reporter* 1(2, 1967), 1–9, Box 216, Roger Freeman Papers, Hoover; Advisory Commission on Intergovernmental Relations, *Intergovernmental Relations in the Poverty Program*, iv.

federal programming and fight off an “overpowering autocratic Uncle Sam.”⁵⁹ Rather, decentralizing power was also advantageous even if it did not directly shrink the federal budget, since:

businessmen have more opportunity for direct communication with Governors and state legislators than they do with leaders of the action in Washington. Furthermore, if the states were a dominant force in determining public policy, the influence of the education bloc or labor... would be dissipated since it would have to be exerted at 50 pressure points instead of just on Washington.⁶⁰

Building support for the effort, Bingham argued, would require the help of the ACIR, which she called “the most effective thing Congress has done so far” to correct the problem of centralized government and the “prime mover behind most of the action to strengthen state government.”⁶¹ By addressing concerns raised in ACIR studies, NAM and the Chamber of Commerce had both become involved in efforts to “upgrade the role, performance, and image of state government” and provided a venue for business and states to “join forces to revive responsibility at home.”⁶² Bingham would continue to advertise the ACIR’s efforts to businessmen in the National Industrial Council’s *Intergovernmental Relations Reporter*, a publication she helped to found in 1967.⁶³ As the next section shows, beyond assisting entrepreneurs like Bingham to build coalitions, the ACIR would also facilitate the transfer of strategic knowledge about intergovernmental relations.

Subsidizing “Expert Brainpower”: The ACIR as a Strategic Resource for Conservative Policy Entrepreneurs

The ACIR’s research and brokerage efforts also helped to underwrite a better-organized effort by conservative policy entrepreneurs to persuade party leaders to adopt reform ideas they might not have known about or endorsed otherwise. After the dismal results of the 1964 election, party leaders set out to revamp the fragmented Republican National Committee (RNC) that had existed under chairman Dean Burch into a nimble, policy-focused operation led by Ray Bliss, a savvy former leader of Ohio’s party organization and a man with fewer ideological convictions than management principles.⁶⁴ As Bliss saw it, the RNC had to face facts. Support for federal grant-in-aid programs was polling at over 65 percent across parties and Republicans lacked the capacity to “develop positive

⁵⁹ Jo Bingham, “Save Our States,” 4.

⁶⁰ *Ibid.*, 8.

⁶¹ *Ibid.*, 2.

⁶² *Ibid.*, 3.

⁶³ *Ibid.*, 1.

⁶⁴ On this transformation, see Philip Klinkner, *The Losing Parties: Out-Party National Committees, 1956-1993* (New Haven, CT: Yale University Press, 1994), 71–87; Daniel J. Galvin, “The Transformation of Political Institutions: Investments in Institutional Resources and Gradual Change in the National Party Committees,” *Studies in American Political Development* 26 (1, 2012), 50–70.

positions” or to act “institutionally” as a party.⁶⁵ To solve the problem, Bliss proposed the creation of five RNC task forces that would create “unity” in the party’s policy viewpoints by drafting new policy positions and legislation for the approval of the Republican Coordinating Committee (RCC).⁶⁶ This new research was to give members of Congress “better, fresher ammunition” to attack the Administration while creating a positive, moderate image for the party as the “public conscience.”⁶⁷ Among the working groups that began to meet in the spring of 1965 was the Task Force on the Functions of Federal, State, and Local Government. ACIR member Senator Karl Mundt (R–SD) helped to lead the task force, which included former CIR research director George C.S. Benson, known as “Mr. Intergovernmental Relations” to RNC leaders.⁶⁸ Former CIR staffer Roger Freeman would chair a spin-off Study Group on Revenue Sharing, which included the ACIR’s Governor Robert Smylie (R–ID).⁶⁹

By employing former CIR staffers and current ACIR members, the Task Force sought to “expert Republican brainpower,” putting the most prominent policy entrepreneurs of the day in the driver’s seat.⁷⁰ By selecting on professional skill, Republican leaders hoped that they would be able to steer the conversation to areas where the “real problems existed and where the political mileage was the greatest.”⁷¹ Robert Huckshorn, the political scientist who served as the group’s secretary, wrote to one member that there was no point in “calling for curbs on ‘big government’ and more ‘states’ rights’ unless party officialdom is prepared to recommend changes that would make those statements meaningful.”⁷² Thus the materials for the Task Force’s first meeting in May of 1965 were limited to a report advocating general revenue sharing, which drew heavily on the “highly respected” ACIR’s work on periodic termination of congressional grants-in-aid to emphasize the problem of policy feedback within categorical programs. According to the report, the “thick underbrush of federal grant programs wastes money on outdated operations while real needs are unmet” while present grants forced the states to “reproduce federal errors” by giving Washington

⁶⁵ Chairman’s presentation to the Republican National Committee, January 31, 1966, Box 100, Ray Bliss Papers, OHS.

⁶⁶ See Philip Klinkner, *The Losing Parties*, 71–87.

⁶⁷ Folder: “Elements of Victory,” Box 100, Ray Bliss Papers, OHS.

⁶⁸ Ray Bliss, “Remarks for the Meeting of Task Force on Functions of Federal, State, and Local Governments,” May 17, 1965, Marriott Twin Bridges, Box 113, Folder: Republican Coordinating Committee Task Force on Functions Federal State Local Governments, First task force meeting on May 17, 1965, Ray Bliss Papers, OHS.

⁶⁹ Folders on “Study Group on Tax Sharing, Republican Coordination Committee,” Boxes 28–29, Roger Freeman Papers, Hoover.

⁷⁰ Remarks of Robert L.L. McCormick and Lance Tarrance, Jr., Fourth RNC Research Conference, September 30, 1967, Box 29, Roger Freeman Papers, Hoover.

⁷¹ *Ibid.*

⁷² Robert Huckshorn to Arthur Peterson, May 10, 1965, Folder: Republican Coordinating Committee Task Force on Functions Federal State Local Governments, First task force meeting on May 17, 1965, Box 113, Ray Bliss Papers, OHS. Huckshorn’s experiences would influence his scholarly work on the aftermath of the 1964 election. See Bernard Cosman and Robert Huckshorn, eds., *Republican Politics: The 1964 Convention and Its Aftermath for the Party* (New York: Praeger, 1968).

“important controls over state and local budgeting.”⁷³ Quoting directly the ACIR’s 1964 study on *Statutory and Administrative Controls*, the report highlighted “points of friction in Federal-state relations in the administration of public assistance” and noted “examples of self-defeating regulations and needless red tape.”⁷⁴

The Task Force’s first meeting did not result in a particularly detailed revenue-sharing or block-grant program to address these problems, but members largely agreed that these “concepts” could be mobilized to “help state and local units to resolve a dangerous situation.”⁷⁵ They would flesh out these general concepts in a series of policy briefs to be delivered over the course of the year and, after receiving approval from the RCC, translated into official party positions and draft legislation, the most extensive of which concerned revenue sharing and urban and metropolitan policy (see Table 4.2).

Table 4.2. Reports Adopted by Task Force on the Functions of Federal, State, and Local Governments, as of November 12, 1965

<i>Subject</i>	<i>Length</i>
Revenue Sharing	43 pp.
Metropolitan Areas	35
Fair Elections	7
Education	7
Equal Time in Political Broadcasting	4
Crime and Law Enforcement	3
Labor	3
State Constitutional Reform	2
Legislative Reapportionment	2
Interstate Compacts	2
Grants-in-Aid	2
Local Government	1

Source: Ray Bliss Papers, Box 113, Folder: Task Force on the Functions of Federal, State, and Local Government, OHS.

By mid-November, the Task Force was generating a slew of reports such as *Towards a Stronger Federal System: Grants-in-Aid to State and Local Governments*, advocating for “maximum consolidation of existing programs under much broader functional grants” and “the initiation of a new block grant program—with no new starts

⁷³ “Government for Tomorrow: A Proposal for the Unconditional Sharing of Federal Tax Revenues with State and Local Governments, May, 1965,” Folder: Republican Coordinating Committee Task Force on Functions Federal State Local Governments, First task force meeting on May 17, 1965, Box 113, Ray Bliss Papers, OHS.

⁷⁴ *Ibid.*, 17.

⁷⁵ *Ibid.*

of functionalized grants like those presently in use.”⁷⁶ The ACIR’s proposals and studies were clearly influential here, in part because they had demonstrated that block grants had, as the Task Force’s research director put it, “a lot of political moxie among opinion leaders such as professors, public administrators and the like.” Since the Administration had “run out” on supporting the Heller-Pechman revenue sharing proposal and had failed to reform grant-in-aid programs, the Task Force should “hammer” at the fact that “‘block grants’ have become a major item in Republican philosophy.”⁷⁷ Accordingly the Task Force’s draft reports on “The Republican Party and Urban Problems” stressed that Democrats did not have a “coherent urban program” and that by establishing “direct governmental relationships with special groups, and the by-passing of state governments” the Administration had left an opportunity for Republicans to develop a “strong unified program” composed of “bloc grants to local jurisdictions for immediate application to development projects.”⁷⁸ By Christmas, the RNC had adopted the Task Force’s proposals and soon began issuing press releases endorsing them and delivering copies of the reports to members of Congress and state legislators.⁷⁹

In March, 1966, the Task Force combined its statements into a report entitled *Financing the Future of Federalism: The Case for Revenue Sharing*. The new report borrowed heavily on an analysis by political scientist James Buchanan (*Fiscal Poverty Amid Fiscal Plenty*). Unlike the liberal version of revenue sharing endorsed by Heller-Pechman, Buchanan’s plan was not designed as an additive fiscal stimulus. Instead, he proposed to use revenue sharing and block grants as substitutes for existing grant-in-aid programs which, as ACIR studies had revealed, were plagued by “oppressive central controls” on state and local officials and forced the states into a helpless fiscal position.⁸⁰ Buchanan’s policy-oriented rationale concealed his own view that grant-in-aid reform was also good *politics* as it could help to shatter the “prevailing mythology of state-local inefficiency and corruption” and signified a return to “a democratic political process” that was “close to the people.” Whatever their potential popularity, the Johnson Administration could hardly be expected to “revive” revenue sharing or block grants on their own. Rather, “prospects for national discussion of bloc grants” depended critically “upon their active endorsement and support by the opposition party.”⁸¹

⁷⁶ Republican Coordinating Committee, Statement by the Task Force on the Functions of Federal, State, and Local Governments, Adopted at meetings held in Washington, D.C., July 13–14, 1965, August 28–29, 1965, and November 11–12, 1965,” Box 113, Ray Bliss Papers, OHS.

⁷⁷ Robert McCormick, Memorandum, December 14, 1965, Box 113, Ray Bliss Papers, OHS.

⁷⁸ Republican Coordinating Committee, Task Force on the Functions of Federal, State, and Local Governments, The Republican Party and Urban Problems, Box 113, Ray Bliss Papers, OHS.

⁷⁹ Task Force on Functions of Federal, State, Local Governments, Proposals, December 27, 1965, Box 113, Ray Bliss Papers, OHS; Charles Mack to Members of Task Force on Functions of Federal–State–Local Government, December 20, 1965; See also Robert Huckshorn to Ray Bliss n.d., Box 113, Ray Bliss Papers, OHS.

⁸⁰ Republican Coordinating Committee, Task Force on the Functions of Federal, State, and Local Governments, *Financing the Future of Federalism: The Case for Revenue Sharing*, March 1966, Box 113, Ray Bliss Papers, OHS; James Buchanan to Charles Mack, March 29, 1966 and James Buchanan, *Fiscal Poverty Amid Fiscal Plenty*, Box 113, Ray Bliss Papers, OHS.

⁸¹ Buchanan, *Fiscal Poverty Amid Fiscal Plenty*, 24.

After the 1966 elections had added significantly to Republican margins in the House of Representatives, Rep. Melvin Laird (R–WI) called on Roger Freeman to help draft a more specific revenue sharing, which he introduced in January of 1967.⁸² Freeman, now well known as an intergovernmental-relations expert in Republican circles, was not just Laird’s top pick. Eager to coordinate party proposals, the RCC drafted Freeman to chair a new Study Group on Revenue Sharing.⁸³

Freeman’s leadership of the Study Group depended on the expertise he had accrued as a result of the ACIR’s work. Unlike his peers within the RNC, Freeman had a working knowledge of intergovernmental interest groups and relied on contacts at the National League of Cities, and the ACIR itself, to develop his proposals.⁸⁴ As a result, his plan for revenue-sharing also included an expanded version of a 1965 ACIR proposal for federal tax credits on state and local taxes to “offset the deterrent effect” of the federal income tax on the ability of state governments to raise revenue.⁸⁵ While the ACIR had only recommended that the credits be applied to income taxes, Freeman extended the proposal to all state and local taxes.⁸⁶ Not only was this proposal essentially pre-vetted by the ACIR, it appealed to Republicans in the House, who believed that tax credits meant electoral rewards.⁸⁷

Freeman’s own entrepreneurial action is the reason the proposal made it into the report. When he initially introduced tax credits to RCC leaders, he met with resistance. The Task Force’s research director Robert McCormick called Freeman’s proposal “out of line,” in part because it alienated party moderates, who believed that tax credits would sap the federal government of revenue.⁸⁸ Frustrated by the cool response, Freeman did an end-run around Bliss and, together with Melvin Laird, promoted his initial version in letters to Republican leaders and with an article published the September 1967 issue of National Municipal League’s *National Civic Review* entitled “The Perils of Not Sharing,” which claimed that Freeman’s report had been “approved and adopted” by the RNC, which was false.⁸⁹ Bliss and McCormick were dumbfounded and admonished Freeman that his remarks were “premature.”⁹⁰ But it was too late. Freeman’s report had already received plaudits from party elites; moreover, Freeman claimed, he couldn’t simply “start

⁸² Roger Freeman to William Baroody, Sr., January 12, 1967, Box 334, Roger Freeman Papers, Hoover.

⁸³ Robert McCormick to Ray Bliss, January 12, 1967, Box 113, Ray Bliss Papers, OHS; Roger Freeman, Memorandum on Telephone Call from Bob McCormick, February 7, 1967, Box 29, Roger Freeman Papers, Hoover; Robert McCormick to Roger Freeman, March 1, 1967, Roger Freeman Papers, Box 29, Hoover.

⁸⁴ Roger Freeman to Pat Healy, May 17, 1967, Box 29, Roger Freeman Papers, Hoover.

⁸⁵ Advisory Commission on Intergovernmental Relations, *Federal-State Coordination of Personal Income Taxes* (Washington, DC: GPO, 1965), 18–19.

⁸⁶ Republican Coordinating Committee, Special Study Group on Revenue Sharing, *The Restoration of Federalism in America*, Box 29, Roger Freeman Papers, Hoover.

⁸⁷ Roger Freeman to Members of the Special Study Group on Revenue Sharing, April 7, 1967, Box 29, Roger Freeman Papers, Hoover; Roger Freeman to Robert McCormick, July 26, 1967, Box 114, Ray Bliss Papers, OHS; Roger Freeman to Ray Bliss, July 26, 1967, Box 114, Ray Bliss Papers, OHS.

⁸⁸ Robert McCormick to Ray Bliss, August 1, 1967, Box 114, Ray Bliss Papers, OHS.

⁸⁹ Robert McCormick to Ray Bliss September 21, 1967 Box 114, Ray Bliss Papers, OHS; Freeman to George Murphy, October 4, 1967, Box 114, Ray Bliss Papers, OHS.

⁹⁰ Robert McCormick to Roger Freeman, October 5, 1967, Box 114, Ray Bliss Papers, OHS.

from scratch” with a new proposal.⁹¹ The RNC’s Research Conference in October of 1967 also advertised Freeman’s plan to party members, arguing that it provided an “extraordinarily versatile” means for the party to:

1. Attack Big Government.
2. Favor an expansion of vital public services at the state and local level.
3. Exploit the credibility gap of LBJ.
4. Adopt an intellectual viewpoint on federalism in modern America.⁹²

As the RCC’s Lawrence Thompson put it, Republicans could use the plan to appeal to “traditional anti-Federal Government conservatives,” as well as the “affluent young middle class who want better schools, more parks, fewer traffic jams, and cleaner lakes,” “the poor and underprivileged who know that Federally-financed programs aren’t always working,” and importantly “to thoughtful government employees at every level who have experienced the trials of the grant-in-aid system.”⁹³ In short, he suggested, “it should be possible for Republican candidates at all levels to put their Democratic opponents on the defensive on this issue.”⁹⁴ By December of 1967, Freeman had won the inclusion the tax-credit provision over the “no” votes of liberals within the RCC, including Thomas Dewey and Nelson Rockefeller.⁹⁵ And as Freeman predicted, the published version, titled *The Restoration of Federalism in America*, would receive plaudits from major media outlets, including the *Los Angeles Times*, which claimed that it “squared with the thinking of many economists and should be given congressional consideration at the earliest feasible moment.”⁹⁶

The Study Group’s report also squared, unsurprisingly, with the views of the ACIR. In January of 1968, NAM’s Jo Bingham wrote to Freeman congratulating him on a proposal that was “quite like the ACIR’s recent recommendation, as I’m sure you are aware.”⁹⁷ By 1968, as the next section shows, Freeman and policy entrepreneurs like him were well aware indeed.

⁹¹ Roger Freeman to Robert McCormick , October 11, 1967, Box 114, Ray Bliss Papers, OHS; Robert McCormick to Roger Freeman October 13, 1967, Box 114, Ray Bliss Papers, OHS.

⁹² Lawrence Thompson, “Revenue Sharing as a Republican Issue,” Speech delivered October 11, 1967, Republican National Committee Research Conference, Box 114, Folder: “Special Study Group on Revenue Sharing,” Ray Bliss Papers, OHS.

⁹³ Ibid.

⁹⁴ Ibid.

⁹⁵ Lawrence Thompson to Roger Freeman, December 21, 1967, Box 29, Roger Freeman Papers, Hoover.

⁹⁶ “Bringing Government Home,” *Los Angeles Times*, January 21, 1968, F6; See also “In Defense of Federalism,” *New York Daily News*, January 22, 1968.

⁹⁷ Jo Bingham to Roger Freeman, January 26, 1968, Box 29, Roger Freeman Papers, Hoover.

II. The Great Society on Trial: ACIR as Reform Catalyst

The ACIR's enhanced capacity for policy planning had three important effects on how conservatives engaged with the Great Society. First, its ability to quickly generate information on the effects of federal programs on intergovernmental relations allowed conservatives to diagnose and propose solutions to the "the crisis of the cities," a term which they used to characterize tension between federal, state, and local officials in implementing the War on Poverty, as well as increasing racial friction in urban centers. The "crisis," as ACIR reports had it, was not one of truculent state and local officials or deep legacies of racism, but one of "fiscal balance" in the federal system, in which the federal government could ameliorate through revenue sharing, not as an additive economic stimulus, but as a measure to "return power" to the states and cities. RCC task forces quickly picked up this issue, which became a hallmark of conservative attacks on the War on Poverty during the 90th Congress and during the 1968 campaign season.

Second, by continuing to advocate for reforms that broke up policy feedback within categorical programs, the ACIR successfully held a coalition together for the Intergovernmental Cooperation Act of 1968. This reform required federal officials to include state and local officials in deliberations over grant-in-aid programs and mandated periodic congressional review of grant-in-aid programs and, as Chapter 5 will show, was a springboard for executive policymaking to empower state and local elected officials at the expense of categorical program constituencies. By contrast, the Johnson Administration's intergovernmental reform legislation lacked ACIR support and was subsequently killed.

Third, conservative policy entrepreneurs in the RCC's task forces used the strategic knowledge they had accrued by way of the ACIR to promote viable block-grant reforms. As the case of the 1967 Amendments to the Elementary and Secondary Education Act shows, congressional Republicans were not immediately successful in consolidating *existing* programs with large support constituencies and little organized opposition from state and local governments. Yet they nevertheless learned that block grants could be used as a threat, since they elicited support from Southern Democrats. On the other hand, Republicans had an easier time consolidating programs as an alternative to new Johnson Administration initiatives on public health and law enforcement, issues which mobilized state and local officials to a greater degree.

Reframing the "Crisis of the Cities" as a Crisis of Federalism

The ACIR helped conservatives reframe the debate on Great Society programs by furnishing apparently neutral criticism of the War on Poverty that conservatives could not have produced on their own. There is no better example of this pattern than the ACIR's role in shaping the debate on urban riots in the summers of 1966 and 1967, the "failure" of Great Society programs to prevent them from occurring, and the introduction of revenue sharing as the ultimate solution. The ACIR's role in shaping this debate grew out of its analysis of Great Society programs starting in 1965. While presidential task forces had been crucial for promoting to passage of the Economic Opportunity Act of 1964,

they did not remain to monitor or defend its implementation.⁹⁸ Congressional committees were, by contrast, slow to respond and the Office of Economic Opportunity itself had little analytical capacity to spare.⁹⁹ By the spring of 1966, then, the ACIR had produced the *only* full-length analysis of the Economic Opportunity Act (*Intergovernmental Relations in the Poverty Program*) prior to its first reauthorization battle.¹⁰⁰ This was emblematic. Of five book-length studies published on other federal programs established between 1964 and 1966, the ACIR published three.¹⁰¹

As described earlier, the Commission's most significant report during this period, the two-volume *Fiscal Balance in the American Federal System* (1967), stood as a compilation and crystallization of the ACIR's long-term work on tax-overlapping and urban planning as well as its more recent studies of categorical grant programs in the areas of poverty and health. Yet when the study emerged from the professional staff in 1966 and 1967, Commission members subordinated its arid fiscal history of the United States and microscopic analysis of categorical grant programs to the contemporary problem of an "urban crisis." As the report began, "the Commission concludes that to meet the needs of twentieth century America with its critical urban problems, the existing

⁹⁸ Alice O'Connor, *Poverty Knowledge*, 139–165.

⁹⁹ Robert Levine, *Evaluating the War on Poverty*, Office of Economic Opportunity, Administrative History, Box 2, Folder: Vol II — Documentary Supplement, LBJL; Office of Economic Opportunity, Administrative History Box 2, Folder: Documentary Supplement, Chapters 3 and 4, LBJL; See, generally, Michael Anthony Murray, "The House Education-Labor Committee and the 1967 Poverty Controversy: A Study of Congressional Avoidance" (Ph.D. Diss., University of Illinois, 1969), 60–83; OEO had little analytical capacity to counter the ACIR's conclusions in its study of the poverty program, with evidence that the program was working to improve the material conditions of the poor. As its Assistant Director Robert Levine put it in a 1966 memorandum: "for most anti-poverty programs, quantitative analysis is not yet possible; for some, it never will be—and these include some of the most important programs." The current results of the Community Action Program were "particularly vague," even though the program had "changed the community structure which has kept the poor down." Yet after the riot-filled summer of 1966, it became difficult to herald this outcome as a success. Instead, by November, the OEO issued a series of press releases detailing Community Action Agencies that enjoyed cordial relationships with governors and mayors and had, in fact, helped to soothe tensions during the difficult summer. Nor did the War on Poverty's congressional advocates effectively reframe the implementation problems. Rep. Adam Clayton Powell (D-NY), who chaired the House Education and Labor Committee, established a congressional task force to study the poverty program which reported in March of 1966 that "the most significant shortcomings to date of the whole 'war on poverty' has been its insufficient emphasis on the unemployment problem" but that it was a "good program on balance." The task force also warned, *contra* the ACIR's report, that "outside political influence" from governors and city halls produced major problems for the War on Poverty's Job Corps and Community Action Programs. Typical of his own idiosyncratic behavior, Powell irked liberal Democrats by placing an embargo on this genial assessment until the fall of 1966. Instead, he held hearings at which he advertised, in his words, "the splendid accomplishments of this more glorious war," in which he attempted to "lay to rest once and for all" criticisms of the program.

¹⁰⁰ Nancy Berle, "Summary of Evaluations of Community Action Programs, 1966," (Washington, DC: Legislative Reference Service, 1966). To be sure, Daniel Patrick Moynihan's *The Report on the Negro Family: The Case For National Action*, published in 1965 was also a significant report on poverty, but did not examine the effects of *new* poverty programs.

¹⁰¹ Marie Murray, "Federal Grants-in-Aid and Other Federal Expenditures Within the States: A Selected List of References, 1950–1966" (Washington, DC: Legislative Reference Service, 1966).

intergovernmental fiscal system needs to be significantly improved.”¹⁰²

Unlike the reports of presidential task forces on poverty and urban planning, *Fiscal Balance* and the studies it built on did not consider sociological explanations of poverty or civil unrest. Nor did it mention urban riots or racial tension by name.¹⁰³ But its description of “the problems of urban society...to which [federal] grants are directed” needed little fleshing out for the Commission’s audience.¹⁰⁴ Critically, *Fiscal Balance* suggested that “urban problems” were not the result of state and local governments’ opposition to addressing them, nor of external social or political conflict, but of fiscal constraints imposed by increasing federal taxation, as well as federal programs that were poorly coordinated and oppressive to state and local officials’ creative potential.¹⁰⁵ Accordingly, the Commission’s solution had three parts: consolidating existing programs into block grants to improve local government flexibility, a program of general revenue sharing that, unlike the liberal Heller-Pechman plan, substituted for existing grant payments, and modest additional categorical grants for new policy experiments in the states.¹⁰⁶

Upon the report’s publication, the *Washington Post* ran a series of high-profile stories on the Commission’s “blue ribbon” studies that told “a story of urban decay, of constantly growing but uncoordinated Federal contribution to state and local governments and of diminishing local tax bases.”¹⁰⁷

Reflecting on the study, a *New York Times* editorial entitled “Federalism’s Rubicon” suggested that,

The recent report of the Advisory Commission on Intergovernmental Relations...warns that the crisis in America’s cities creates a crisis in America’s structure of government. Because cities in turmoil may increasingly have to turn to the national government to restore law and order—as Detroit had to do last summer—the commission fears that both cities and states may increasingly allow the national government to assume other responsibilities that local units have traditionally carried. It fears that the powers of the national government, already large, will grow larger still, while those of the states and municipalities will further atrophy. There is ample reason for such fear.¹⁰⁸

The risk, as the *Times* put it, was that the “Great Society will simply become

¹⁰² Advisory Commission on Intergovernmental Relations, *Fiscal Balance in the American Federal System*, vol. 1, 5.

¹⁰³ Graham, Hugh Davis. “The ambiguous legacy of American presidential commissions.” *The Public Historian* 7 (2, 1985): 5-25.

¹⁰⁴ Advisory Commission on Intergovernmental Relations, *Fiscal Balance in the American Federal System*, vol. 1, 17.

¹⁰⁵ See for example, ACIR, Intergovernmental Relations in the Poverty Program, 19, 168–242.

¹⁰⁶ ACIR, *Fiscal Balance in the American Federal System*, vol. 1, 5–6.

¹⁰⁷ Frank Porter, “U.S. Advisory Unit Backs Revenue Sharing Plan,” *Washington Post*, October 10, 1967, A9; Carroll Kilpatrick, “Reform in Federal-State Ties Urged: Reforms Proposed in U.S. Aid to States,” *Washington Post*, September 19, 1968, G1.

¹⁰⁸ “Federalism’s Rubicon,” *New York Times*, February 28, 1968, E12.

much more national. It won't be very Federal at all."¹⁰⁹ Columnist Tom Wicker also agreed with the Commission's "chilling" thesis, that "so paralyzing was the overlap, disarray, inertia, antiquity, and poverty of state and local government in America" that their residents had demanded that the "powerful federal government accept responsibility for their security and well-being."¹¹⁰

As members of the RCC's task forces might have surmised, the ACIR's report made revenue sharing a good "talking issue" for Republicans. Even if it was not a concrete alternative, the logic behind it helped to explain the "urban crisis" as the *result* of Great Society programs.¹¹¹ As Roger Freeman put it in a letter to RCC research director Robert McCormick, revenue sharing would attract support from mayors and governor who resented the funneling of federal monies to federal agencies like the Office of Economic Opportunity (OEO) and the Department of Housing and Urban Development and were,

anxious...to lay their hands on money that they control and not the OEO or DHUD [*sic*], or the state legislatures or—worse—some independent group and office in their city...Speaking politically: the Mayors of most major cities are Democrats. They tend to oppose anything we propose anyway and are suspicious [*sic*]. If we offer the cities funds for the solution of their problems, WITHOUT CONTROL BY A FEDERAL OR OTHER AGENCY, we dig the ground out from under the Mayors if they oppose the plan and strengthen the opposition in the cities.¹¹²

Taking a cue from the RCC, Republicans dominated the field in proposing revenue sharing as a solution to the "crisis of the cities." Describing the Republican effort on revenue sharing, the *Wall Street Journal's* Norman Miller observed that "the most important battle in the 90th Congress may well be about new legislation that everyone on Capitol Hill knows can't be enacted now: the proposal to give states a fixed share of Federal tax revenues." Republicans were, he suggested, "building an issue" through a "piecemeal campaign" and quoted one party insider suggesting that "if we can get a real clash going in Congress...we will be ready in 1968 for a basic confrontation with

¹⁰⁹ Ibid.

¹¹⁰ Tom Wicker, "In the Nation: The Federal Mess," *New York Times*, February 1, 1968, 36; See also "Metropolitan America," *Washington Post*, November 28, 1966, A20; The positive reaction to Commission reports was not new. The *Washington Post* argued in November that the ACIR's study had demonstrated the "complexity of the vast urban communities that must somehow be absorbed into our Federalized system" and had shown effectively that states should neither "be left out" of the discussion, nor should they "run to Washington with their problems."

¹¹¹ Melvin Laird to Ray Bliss, July 12, 1967, Box 114, Ray Bliss Papers, OHS; Lawrence Thompson, "Revenue Sharing as a Republican Issue," Speech delivered October 11, 1967, Republican National Committee Research Conference, Box 114, Folder: "Special Study Group on Revenue Sharing," Ray Bliss Papers, OHS; Comparisons of Republican Revenue Sharing Plans, Box 29, Roger Freeman Papers, Hoover.

¹¹² Roger Freeman to Robert McCormick, March 6, 1967, Box 29, Roger Freeman Papers, Hoover.

Johnson over the best way to deal with commonly recognized problems.”¹¹³ As the top panel of Table 4.3 shows, in the first half of 1967 alone, 92 Republicans introduced revenue-sharing bills; only 9 Democrats did the same. Moreover, the large majority of Republican proposals drew on the outline drawn up by Roger Freeman’s RCC study group.¹¹⁴ As the lower panel of Table 4.3 shows, 71 percent of the revenue sharing bills introduced in the 90th Congress were completely unrestricted and 42 percent were designed to substitute for existing grant-in-aid programs. By contrast, the few Democrats who introduced revenue-sharing bills did so gingerly. In the Senate, the two revenue-sharing measures introduced only provided for a study committee to examine the possibility of revenue sharing. In the House, revenue-sharing bills like those introduced by Rep. Henry Reuss (D–WI) mandated that states undertake government modernization programs in exchange for revenue.¹¹⁵

Table 4.3. Revenue Sharing Bills in the Early 90th Congress

(a) Bill Introductions by Party			
	Senate	House	Total
Democrat	2	7	9
Republican	29	63	92
Total	31	70	101

(b) Bills with Features of RCC Study Group Plan

Substitutes for Grants-in-Aid	32 (42%)
No Strings	54 (71%)
Total	76 (100%)

Source: Maureen McBreen, *Federal Tax Sharing Proposals Introduced in the Early 90th Congress: Analysis and Summary* (Washington, DC: Legislative Research Service, 1967).

The ACIR and the RCC’s framing of the “crisis of the cities” as the result of fiscal imbalances now dominated the conversation among policymakers, as did the solution of

¹¹³ Norman Miller, “Building an Issue: GOP Will Fight for Idea of Tax-Sharing Though It’s Sure to Lose—Now,” *Wall Street Journal*, January 19, 1967, 1.

¹¹⁴ Maureen McBreen, *Federal Tax Sharing Proposals Introduced in the Early 90th Congress: Analysis and Summary* (Washington, DC: Legislative Research Service, 1967); Maureen McBreen, *Federal Tax Sharing: Historical Development and Arguments For and Against Recent Proposals* (Washington, DC: Legislative Research Service, 1967).

¹¹⁵ Maureen McBreen, *Federal Tax Sharing Proposals Introduced in the Early 90th Congress: Analysis and Summary* (Washington, DC: Legislative Research Service, 1967), 3.

revenue sharing. In July of 1967, amid riots in Detroit that had resulted in 43 deaths, thousands of injuries, and massive property destruction, even liberal Republicans like Senator Jacob Javits (R–NY) began to employ this frame.¹¹⁶ During a hearing of the Joint Economic Committee on “Revenue Sharing and Its Alternatives,” Javits argued that:

The recent riots in our cities make it imperative that every avenue that may lead to a solution of our urban problems, however remote, be fully explored. For this reason, I argue that this aspect of revenue sharing be fully explored if these hearings are to serve an immediate as well as long-range purpose.¹¹⁷

In January, Javits had introduced a revenue-sharing bill that mirrored the Heller-Pechman proposal.¹¹⁸ Yet he now stepped back from the proposal’s specifics and articulated the RCC study group’s logic, that states needed more control, as well as money to deal with riots:

The acceptance of [categorical] aid and the controls that go with it have reduced the scope of State-local decision-making which, in turn, has reduced the demands for vitality and creativity in their affairs...Innovative and creative ability at our State and local levels of government is one of our greatest resources, and the times certainly call for the use of every means available to solve the country’s great social problems.¹¹⁹

Several months later, Detroit’s own beleaguered Democratic Mayor, Jerome Cavanagh, appeared before the same committee to articulate his support for the Heller-Pechman approach to revenue sharing, suggesting that unrestricted funds should “buttress and strengthen” the grant programs that already existed. Yet Republican mayors, governors, and members of Congress pushed back. Senator (formerly Governor) Clifford Hansen (R–WY) concluded his support of the RCC approach to revenue sharing by putting it bluntly. “Our State and local governments are up against the wall,” Hansen claimed, “Last summer’s tragic events demonstrate that the Federal Government has proven itself incapable of meeting the demands of the American people. It is now up to the States.” Republican mayors—largely representing smaller cities—agreed. Wendell Hulcher of Ann Arbor, Michigan suggested that “the interplay among the social, economic, and physical aspects of urban problems are often purely local in character.”¹²⁰ Thus the RCC’s proposals would not only “arrest the centralization of power in

¹¹⁶ U.S. Congress, Joint Economic Committee, Hearings on Revenue Sharing and Its Alternatives, Part I, 90th Cong., 1st sess., 3.

¹¹⁷ *Ibid.*, 3.

¹¹⁸ Maureen McBreen, *Federal Tax Sharing Proposals Introduced in the Early 90th Congress: Analysis and Summary*, 11.

¹¹⁹ U.S. Congress, Joint Economic Committee, Hearings on Revenue Sharing and Its Alternatives, Part I, 90th Cong., 1st sess., 3.

¹²⁰ U.S. Congress, Joint Economic Committee, Hearings on Revenue Sharing and Its Alternatives, Part II, 90th Cong., 1st sess., 370.

Washington, it would “give city officials the challenge and fiscal capability to deal flexibly and effectively with the unique characteristics of the problems of each city.”¹²¹ While Hulcher acknowledged that governors and mayors did not agree about the specifics of the program, he called on Congress to use the ACIR to “get everybody together and have a mutually agreeable program of revenue sharing.”¹²²

By the 1968 campaign season, revenue sharing was the high-profile “talking issue” the RCC’s task forces had hoped it would be. In April, Everett Dirksen called on Roger Freeman to adapt *The Restoration of Federalism in America*’s revenue-sharing concepts into a “brief but hard hitting” proposal for the Republican platform.¹²³ Freeman confessed that, though revenue sharing was a subject “that the average man may often feel is not one of his most personal concerns,” Republicans could use it to “make the most of the Administration’s failures” and to show how the “concentration of power in Washington and the chaos in our Federal-State-Local fiscal arrangements burdens our citizens and taxpayers and narrows their freedom.”¹²⁴ The result was a series of platform planks—including a preamble—that emphasized block grants and revenue sharing as a means to reform the “400 different authorizations and programs by which the Administration and its centralized bureaucracy force their commands upon states, cities, and towns.”¹²⁵

While much of Freeman’s technical language was replaced, as he argued it should be, the core ideas were left standing in the 1968 platform. At the heart of the platform’s domestic proposals was the ACIR’s logic of fiscal balance, dressed up in slightly more partisan attire. Acknowledging the “continuing decay of urban centers” and riots which had caused “fire and looting,” the party pledged, among other things “a complete overhaul and restructuring of the competing and overlapping jumble of federal programs to enable state and local governments to focus on priority objectives.”¹²⁶ What was required was a “new, vital partnership of government at all levels,” one which revenue sharing would help to cement.¹²⁷

Coalitional Politics: Fighting for the Support of States and Cities

Just as the ACIR’s work on revenue sharing had helped to push the Great Society’s defenders into a defensive position, it helped to sustain political coalitions around reforms to the federal system. The Johnson Administration’s response was not simply too little and too late, it also lacked the same coalitional basis. In 1965, Johnson remained

¹²¹ *Ibid.*, 366.

¹²² *Ibid.*

¹²³ Everett Dirksen to Roger Freeman, April 5, 1968, Box 31, Roger Freeman Papers, Hoover.

¹²⁴ Roger Freeman to Clyde Flynn May 7, 1968, Box 31, Roger Freeman Papers, Hoover; Everett Dirksen to Roger Freeman, May 27, 1968, Box 31, Roger Freeman Papers, Hoover; Roger Freeman to Richard Allen, August 16, 1968, Box 31, Roger Freeman Papers, Hoover.

¹²⁵ Roger Freeman, “Concentration of Power in Washington and the Destruction of Home Rule and Local Autonomy,” May 6, 1968, Box 31, Roger Freeman Papers, Hoover.

¹²⁶ Republican Party Platforms, “Republican Party Platform of 1968,” August 5, 1968, available: <http://www.presidency.ucsb.edu/ws/?pid=25841>, accessed January 10, 2015.

¹²⁷ *Ibid.*

aloof on the ACIR's "Intergovernmental Cooperation Act," yet by 1966 he began to face criticism from Republican leaders like Sen. Everett Dirksen (R-IL) who referred to Johnson's policies as "*cremative* federalism."¹²⁸ Barry Goldwater's adviser Denison Kitchel publicly referred to the term "creative federalism" as a "gimmick"¹²⁹ and the ACIR's Gov. Robert Smylie (R-ID) charged that the administration had done and would do little to make good on its promises.¹³⁰ In his State of the Union address that year, Johnson proposed the creation of a new Intergovernmental Affairs Council within the White House to look into the issue¹³¹, and assured a gathering of the Governors' Conference that his Administration would "search for ways to get flexibility" for state and local governments in federally financed programs.¹³² But the proposal stalled in Congress after it had been introduced by Sen. Edmund Muskie (D-ME), who was later drafted as the floor manager for Johnson's Model Cities bill.¹³³

In December, soon after dismal returns in the 1966 midterm elections, Johnson took stock of the situation. He complained in a telephone call to Chicago's Mayor Richard Daley that governors believed he was "going too far too fast" and that their reaction was making it impossible to move on his agenda. Johnson summed up the typical conservative *Chicago Tribune* article: "You see what the governors are saying, don't you?" Daley agreed with Johnson's assessment, but suggested that governors rarely had "taken care of their own responsibilities" to which Johnson lamented "there ain't a damn thing you can do."¹³⁴

In less than a month, Johnson tried to change that. He recruited Governor Farris Bryant (D-FL) to chair the ACIR and to act as the "President of the States," building "pipelines" to the states and courting gubernatorial support.¹³⁵ Bryant, a segregationist, had done as much for Johnson before in convincing southern governors to lend their support to early War on Poverty initiatives.¹³⁶ With his help, Johnson made

¹²⁸ U.S. Congress, A Record of Press Conference Statements made by Senator Everett McKinley Dirksen and Representative Gerald Ford for the Joint-Senate House Republican Leadership, 90th Cong. 1st sess., 9.

¹²⁹ Alan L. Otten, "Sharing Power: Administration Favors a Bigger Local Voice in Many U.S. Programs," *Wall Street Journal*, March 16, 1966, 1.

¹³⁰ *Ibid.*, See also Richard R. Warner, "The Concept of Creative Federalism in the Johnson Administration" (Ph.D. Diss, American University, 1970), 250-256; Box 41, EMA, Series V: Senate Office and Committee Staff Files, 1963-1980, Bates.

¹³¹ Lyndon B. Johnson, "Annual Message to the Congress on the State of the Union," January 12, 1966, available: <http://www.presidency.ucsb.edu/ws/?pid=28015>, accessed January 10, 2015.

¹³² Alan Otten, "Sharing Power"; Lyndon B. Johnson: "The President's News Conference Held at the Close of the Governors' Conference," March 12, 1966, available, <http://www.presidency.ucsb.edu/ws/?pid=27487>, accessed.

¹³³ Larry Levinson, Oral History Interview, September 20, 2002, Bates.

¹³⁴ Recording of Telephone Conversation between Lyndon B. Johnson and Richard Daley, December 17, 1966, 9:48 AM, Citation #11146, Recordings and Transcripts of Conversations and Meetings, LBJL.

¹³⁵ Recording of Telephone Conversation between Lyndon B. Johnson and Farris Bryant, June 8, 1967, 10:12 AM, Citation #11904, Recordings and Transcripts of Conversations and Meetings, LBJL.

¹³⁶ Farris Bryant, Oral History Interview, March 5, 1971, LBJL, 61-63; Recording of Telephone Conversation between Lyndon B. Johnson and Robert Anderson, August 3, 1964, 5:30 PM, Citation #4645; Recordings and Transcripts of Conversations and Meetings, LBJL; Recording of Telephone Conversation

intergovernmental relations the subject of a high profile speech.¹³⁷ In his March 17 “Special Message to Congress on the Quality of American Government,” Johnson made a special effort to advertise the Administration’s interest in efficiency in government, and, noting that a very large number of individual grant-in-aid programs with their own sets of special requirements, authorizations, appropriations, caused red-tape and delay, and placed extra burden on State and local officials, said that “the first step is to simplify procedures for grant application, administration, and financial accounting.”¹³⁸

While this may have sounded like plagiarism to his opponents, Johnson added three twists. First, he again insisted on an intergovernmental affairs council, to be located in the Executive Office of the President and to include representation from agency officials and the chairman of the ACIR. Whereas the President lacked control over ACIR reports, the new Council would allow him to control the flow of public information about intergovernmental programs.¹³⁹ Second, he added a proposal to improve “intergovernmental manpower,” through heavy federal financing for state employees’ professional education.¹⁴⁰ This would ease state and local governments’ burden of training employees while improving the chances that employees would become exposed to professional ideas about the importance of implementing Great Society programs. Third, he asked for new requirements that federal grants be overseen by employees selected on merit rather than political patronage.¹⁴¹ This measure essentially insured that, in the event of increasing administrative decentralization, only policy professionals and not gubernatorial appointees would manage federal grant-in-aid programs.

None of Johnson’s new measures received a strong endorsement from the ACIR, and each died on the Hill. As Table 4.4 shows, by the end of the 90th Congress, the Senate Government Operations Committee failed to report his merit selection and intergovernmental affairs council proposals. During the hearings, ACIR’s William Colman suggested that a new intergovernmental affairs council was unnecessary since “existing instrumentalities” (i.e. the ACIR itself) were “up to the task” of improving intergovernmental cooperation.¹⁴² Along with the Council of State Governments and unions made up of state employees, the ACIR also opposed the “imposition” of merit selection on state and local governments.¹⁴³ The intergovernmental personnel provisions

between Lyndon B. Johnson and Edmund Muskie, March 13, 1967, 6:48 PM, Citation #11637, Recordings and Transcripts of Conversations and Meetings, LBJL.

¹³⁷ Farris Bryant, Oral History Interview, March 5, 1971, LBJL, 61–63.

¹³⁸ Lyndon B. Johnson, “121 – Special Message to the Congress: The Quality of American Government,” The American Presidency Project, <http://www.presidency.ucsb.edu/ws/?pid=28141>.

¹³⁹ “NIAC [National Intergovernmental Affairs Council]– S. 3509 Materials 1966,” EMA, Series V: Senate Office and Committee Staff Files, 1963–1980, Box 35, Bates.

¹⁴⁰ “Creative Federalism’ Plans Get Little Attention in 1967,” *Congressional Quarterly Almanac* 23 (1967): 8-1088–8-1091.

¹⁴¹ *Ibid.*

¹⁴² U.S. Congress, Senate Committee on Government Operations, Subcommittee on Intergovernmental Relations, Hearings on Creative Federalism, Part 2-B, 90th Cong., 1st sess, February 7, 9, March 21–22, 1967, 917.

¹⁴³ U.S. Congress, Senate, Committee on Government Operations, Report on the Intergovernmental Personnel Act, 90th Cong., 1st sess., S. Rept. 701, 8.

themselves did pass the Senate on a vote of 54 to 26, but only after the inclusion of an amendment by ACIR member Sen. Karl Mundt (R–SD), which gave governors the ability to refuse to accept personnel training grants.¹⁴⁴ While Muskie called the amendment “crippling,” and likely to elicit a presidential veto, it passed 50–30 with the support of all but two Senate Republicans and all but five Southern Democrats.¹⁴⁵ The bill itself was given no consideration, however, by the time it reached the more conservative House.¹⁴⁶

**Table 4.4. Johnson Administration
Intergovernmental Relations Initiatives, 90th Congress**

<i>Initiative</i>	<i>Outcome</i>
Merit Selection for State and Local Officials Implementing Federal Grants (S. 699)	Never Reported
Financial Aid for State and Local Government Employee Training (S. 699)	Passed in Senate; Not introduced in House
National Intergovernmental Affairs Council (S. 671)	Never Reported

Since their own initiatives had been vetted by the ACIR and major state and local government organizations, conservatives fared slightly better than the Administration. On January 12, 1967, Mundt introduced an identical version of the review and termination provision he had sponsored during the 89th Congress (S. 458).¹⁴⁷ As he had done in the last session, Muskie then rolled Mundt’s proposal into a new bill (S. 698), which included provisions that the ACIR had endorsed publicly before and to which the Administration would lend its support, including a requirement that the president establish a uniform policy for consulting with state and local officials on grant-in-aid requirements and a provision that empowered state elected officials by allowing federal agencies to waive statutory requirements that grants be allotted to particular state agencies.¹⁴⁸

S. 698 also included a provision initially introduced by Sen. Edward Kennedy (D–MA) in 1966, which required federal agencies to provide information to state and local officials about available grant-in-aid programs.¹⁴⁹ Finally, to curry the support of Civil

¹⁴⁴ “Creative Federalism’ Plans Get Little Attention in 1967.”

¹⁴⁵ *Congressional Record*, 90th Cong., 1st sess., 31866.

¹⁴⁶ “Creative Federalism’ Plans Get Little Attention in 1967.”

¹⁴⁷ S. 458, 90th Cong. (1967).

¹⁴⁸ S. 698, 90th Cong. (1967).

¹⁴⁹ S.J. Res. 187, 90th Cong. (1967).

Rights groups, the bill’s authors bundled in a measure that provided funds for those forced to relocate as the result of federal development projects.¹⁵⁰ While the relocation measure would be broken off into separate legislation in the House, it netted Muskie co-sponsorships from five Democrats. By the time that the Senate Government Operations Committee held hearings on the “Intergovernmental Cooperation Act of 1968,” conservative Democrat Sen. John McClellan (D–AR) introduced an ACIR-drafted measure allowing the President to issue executive orders consolidating categorical grant programs (S. 2198).¹⁵¹

Table 4.5. Major Provisions of the Intergovernmental Cooperation Act of 1968

<i>Provision</i>	<i>Publicly supported by Johnson Administration?</i>	<i>Publicly supported by ACIR?</i>	<i>Included in P.L. 90–577?</i>	<i>Note</i>
Periodic Review (S. 689)		X	X	
Automatic Termination (S. 689)		X		Dropped in Conference Committee
Grant Consolidation (S. 2198)		X		Never Reported
Grant-in-Aid Information Requirements (S. 689)		X	X	
Allows Secretary to Waive Single State Agency Requirements (S. 689)		X	X	
Requirement for Executive Action on Intergovernmental Coordination (S. 689)	X	X	X	

¹⁵⁰ S., 698.; “S. 698: Intergovernmental Cooperation Act 1968 Materials (2 folders)” EMA, Series V: Senate Office and Committee Staff Files, 1963–1980, Boxes 34–35, Bates.

¹⁵¹ S. 2198, 90th Cong. (1967).

Technical Assistance to State and Local Governments (S. 689)	X	X	X
Uniform Relocation Assistance and Land Acquisition (S. 689)		X	Dropped in Conference

Taken together, the majority of measures included in S. 698 (listed in Table 4.5) represented the most visible and viable demonstration of the ACIR’s coalition-building prowess to date. Farris Bryant wrote to Muskie in the spring of 1967 that the Commission endorsed the provisions because they helped promote “strong and unshackled State and local governments...handling problems in their own way.”¹⁵² The bill, he suggested, would help the federal government abandon its “military” style approach to grants-in-aid and replace it with a “supportive, stimulative” relationship.¹⁵³ During Senate hearings, the Commission’s William Colman praised the bill in similarly strong terms, suggesting that greater intergovernmental cooperation was essential “if we are to strengthen federalism, and if we are indeed to keep democracy alive.”¹⁵⁴ The bill’s supporters also provided reasonable criticism to liberal detractors. When grilled by Ted Kennedy on whether or not “states established poverty programs on their own,” the Council of State Governments’ Brevard Carihfield argued that he did not endorse weakening the federal government’s ability to promote reforms in the states. Rather, he suggested that the “tendency, the tone has been to say ‘State you haven’t done enough in the past on this and therefore we are ignoring you completely’ instead of drafting legislation that would bring in the State as a partner.”¹⁵⁵

Overall, Senate testimony on the bill was favorable, but the core support came from organizations made up of state and local officials and business groups like NAM (see Table 4.6). By contrast, federal agencies generally supported the “improved management” represented by the bill but made little mention of favoring individual provisions.¹⁵⁶ Additionally, civil rights groups, including the Urban League and the Southern Christian Leadership Conference, supported the bill’s provisions on uniform relocation assistance, but did not take positions on the balance of the legislation.¹⁵⁷

¹⁵² U.S. Congress, Senate Committee on Government Operations, Subcommittee on Intergovernmental Relations, Hearings on Creative Federalism, 90th Congress, 1st. sess., February 7–9, March 21 and 22, 1967, 906–7.

¹⁵³ *Ibid.*, 913.

¹⁵⁴ *Ibid.*, 917.

¹⁵⁵ *Ibid.*, 838.

¹⁵⁶ U.S. Congress, Senate Committee on Government Operations, Subcommittee on Intergovernmental Relations, Hearings on Intergovernmental Cooperation Act and Related Legislation, 90th Congress, 2nd sess. May 9-10, 14-16, 21-22, 28-29, 1968, 78–91.

¹⁵⁷ *Ibid.*, 297–386, 415–424.

When the bill reached the House, Rep. John Blatnik (D–MN) introduced legislation (H.R. 18826) that dropped the automatic review and termination provisions that mattered most to business groups. Given Blatnik’s experience as a committee chair, he took the position that the rather inflexible termination provisions, combined with the requirement that review be done by an Inspector General or the ACIR, would greatly reduce committees’ discretion over the programs.¹⁵⁸ His substitute measure simply required five-year reviews of grant programs conducted by their committees of jurisdiction, leaving out the termination provision entirely.¹⁵⁹

Table 4.6. Organizations Explicitly Endorsing All Provisions of S. 698

Advisory Commission on Intergovernmental Relations
 National Governors’ Conference
 National League of Cities
 U.S. Conference of Mayors

National Association of Housing and Redevelopment Officials
 National Association of Counties
 National Association of Manufacturers
 National Grange

Source: U.S. Congress, Senate Committee on Government Operations, Subcommittee on Intergovernmental Relations, Hearings on Intergovernmental Cooperation Act and Related Legislation, 90th Congress, 2nd sess., May 9-10, 14-16, 21-22, 28-29, 1968.

Despite criticism from the Chamber of Commerce and the ACIR for omitting the termination provision, Blatnik had no reason to be worried about the fate of his bill, since it was loaded with provisions supported by state and local government officials.¹⁶⁰ During hearings on the measure, state and local organizations, including the U.S. Conference of Mayors, the National Association of Counties, and the Governors’ Conference) took no position endorsing the automatic termination provisions. Conference Committee negotiations resulted in a victory for Blatnik’s bill, suggesting that state and local governments had other policy reforms at the top of their agendas.¹⁶¹

Yet the bill was hardly a victory for the Administration. Instead, by increasing oversight of Great Society programs, it gave congressional conservatives the “chance to play watchdog,” as the *Wall Street Journal* put it in a celebratory editorial.¹⁶² It also created a congressional mandate for the President to enhance the control of state and local

¹⁵⁸ U.S. Congress, House of Representatives, Committee of the Whole, Report on the Intergovernmental Cooperation Act of 1968, 90th Cong. 2nd sess., H Rept. 1845, 23–24; On Blatnik’s role as committee chair and his longstanding use of federal grants-in-aid, see Paul Milazzo, *Unlikely Environmentalists: Congress and Clean Water: 1945–1972* (Lawrence, KS: University Press of Kansas, 2006), 17–38.

¹⁵⁹ Ibid.

¹⁶⁰ “Intergovernmental Cooperation,” *Congressional Quarterly Almanac* 24 (1968): 9-505–9-508.

¹⁶¹ Ibid.

¹⁶² “A Chance to Play Watchdog,” *Wall Street Journal*, November 12, 1968, 20.

elected officials in planning and executing categorical grants-in-aid. As the next chapter will show, the Nixon and Reagan Administrations would act on this mandate by developing administrative tools that issued a fundamental challenge to the exclusive relationship between federal agencies and specialized constituencies by requiring grant-in-aid applications to undergo notice and comment by “clearinghouses” established by state-level elected officials.¹⁶³ Most importantly, however, the Act—and the simultaneous failure of Johnson’s “creative federalism” program—represented an acknowledgement of the weak position of liberal Democrats in the intergovernmental policy arena. With the help of the ACIR, conservatives had also begun to leverage this weakness by promoting viable policy alternatives in the form of block grants. As the next two sections show, it paid off.

Experimenting with Block Grants in Education

With the approval of the first RCC task force reports in late 1965, conservatives’ approach to attacking the Great Society crystallized around two sets of policy solutions, block grants and revenue sharing, both of which had been forged at the CIR and the ACIR. Since the scope of the task force’s work was so broad, these alternatives became the solutions to nearly every problem conservative congressional leaders could find, from education to poverty to law enforcement.¹⁶⁴ In the absence of the ACIR’s sustained advocacy, however, it is not clear that Republican leadership would have embraced such policy alternatives. As newspaper columnists frequently pointed out, Republican “Bourbons” like House Minority Whip Les Arends opposed “Creative Republican Alternative Programs,” a term whose acronym, they pointed out, was especially descriptive. Yet, with the help of policy entrepreneurs like Roger Freeman and Rep. Melvin Laird (R–WI), block grants and revenue sharing attained “respectability in the House Republican Cloakroom” and positive responses in the press.¹⁶⁵

In the case of block grants, not all attempts led to direct legislative success. Rather, as in the case of a push by Reps. Albert Quie (R–MN) and Charles Goodell (R–NY) to convert the Elementary and Secondary Education Act (ESEA) into a block grant, conservatives were more at eliciting a defensive reaction from the Administration. This move was a departure for Quie and Goodell, neither of whom had supported general aid to education in the past.¹⁶⁶ Rather, taking inspiration from the RCC’s task force reports and discussions in 1965 and 1966, Quie and Goodell proposed the measure as a response

¹⁶³ George J. Gordon, “Office of Management and Budget Circular A-95: Perspectives and Implications,” *Publius* 4 (1, 1974): 45-68; Philip A. Russo “In Search of Intergovernmental Coordination: The A-95 Project Notification and Review System,” *Publius* 12 (2, 1982): 49–62.

¹⁶⁴ Robert Barkdoll, “GOP Urges More State Leeway in Federal Aid,” *Los Angeles Times*, December 17, 1965, 11

¹⁶⁵ Rowland Evans and Robert Novak, “House GOP Schism Puts Laird at Head of Pragmatic Minority,” *Washington Post*, October 18, 1967, A17.

¹⁶⁶ Staff report from the office of the Baptist Joint Committee on Public Affairs on Current Education Legislation, May 16, 1967, Box 241, Folder: Elementary and Secondary Education Act, Edith Green Papers, ORHS.

the Administration's proposal to extend the ESEA through 1969 with few changes.¹⁶⁷ During hearings on the reauthorization bill (H.R. 6230) in the spring of 1967, both Quie and Goodell introduced the concept of block grants as a solution to the frustrations with expressed by representatives of the Council of Chief State School Officers (CSSO) concerning compliance with federal regulations on state spending under the ESEA's Title I, which provided aid to impoverished school districts. According to the CSSO, compliance was costly, time consuming, and difficult because of vague and shifting federal rules, and poor communication with the U.S. Office of Education.¹⁶⁸

Neither the CSSO nor any other education-related group specified block grants as a solution to the problem. Rather, the suggestion came from Quie and Goodell. As Goodell put it, "the ultimate solution" to problems of "lead time, flexibility, and all the other aspects that have been raised here" would be a "form of tax sharing or a block grant."¹⁶⁹ In responding to questions about the Department of Health, Education, and Welfare's position on block grants, Secretary John Gardner took no stance other than to suggest that the proposition was "bound to be discussed very seriously in the executive branch and Congress" and that the Department would continue to "refine" federal-state relationships.¹⁷⁰

Having taken the Department somewhat by surprise with the suggestion, Quie and eleven other Republicans issued minority views to the Committee's bill (H.R. 7819), which laid down the gauntlet. Their position acknowledged a "continuing national interest served by federal support for improving elementary and secondary education" but criticized the "categorical aids" characterized by excessive federal controls and red tape that such aids required.¹⁷¹ As Quie and his colleagues put it:

It is perfectly feasible to achieve the advantages of general aid through block grants for a broad range of educational programs, leaving State and local school agencies to establish their own priorities and to devise patterns for using the funds which best fit both their needs and their structure of educational finance.¹⁷²

In late April, Quie introduced a substitute bill (H.R. 8983) that consolidated Titles I, III, and V of the ESEA into block grants distributed by the U.S. Office of Education to individual state agencies, and required only 50 percent of these funds to go to impoverished school districts.¹⁷³ Additionally, Quie's formula for distributing funds made

¹⁶⁷ Bliss Box 111, Folder: Republican Coordinating Committee — Statement on Education, Ray Bliss Papers, OHS; Robert McCormick to Ray Bliss, January 12, 1967, Bliss Box 113, OHS; Roger Freeman to William Baroody, Sr., May 19, 1967, Box 29, Roger Freeman Papers, Hoover.

¹⁶⁸ U.S. Congress, House of Representatives, Hearings on the Elementary and Secondary Education Amendments, 90th Cong. 1st sess., Part I, March 2–8, 1967, 411.

¹⁶⁹ *Ibid.*, 488.

¹⁷⁰ *Ibid.*, 545.

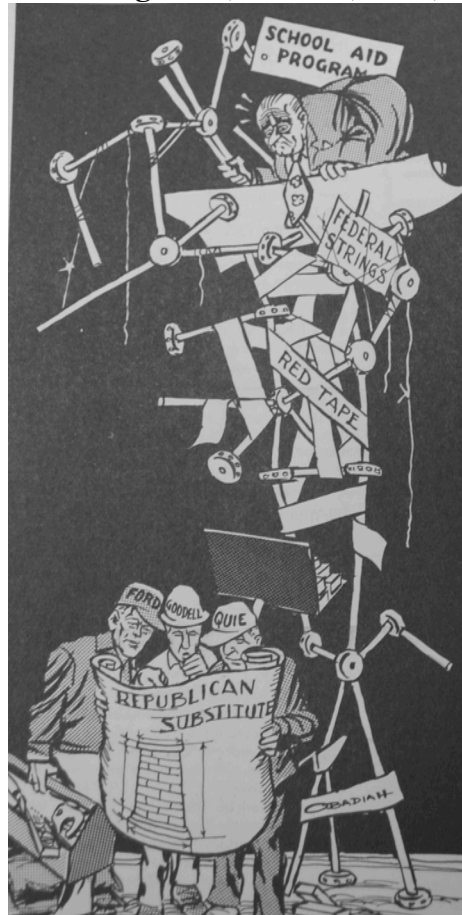
¹⁷¹ U.S. Congress, House of Representatives, Committee on Education and Labor, Report on Elementary and Secondary Education Amendments of 1967, 90th Cong., 1st sess., H. Rept. 188., 88.

¹⁷² *Ibid.*, 90.

¹⁷³ H.R. 8983, 90th Cong. (1967).

targeting to low-income districts more difficult, as it based its allotment ratio for grants on states' aggregate income per school age child rather than district-level measures of poverty, as in the existing ESEA formula.¹⁷⁴ Along with the idea for the bill, the RCC used press releases and editorial cartoons to brand the plan, and its authors, as thoughtful, rational students of a “bottom up” approach to education policy “in contrast to a top-heavy, jerry-rigged plan endorsed by an out-of-touch administration (see Figure 4.5).

Figure 4.5. Cartoon Featuring Ford, Goodell, Quie, and Johnson (1967)



Source: Republican Congressional Committee Newsletter, 90th Congress, 1st sess., May 8, 1967, 1.

Quie’s bill, as the *Washington Post* put it in an editorial had “powerful appeal beyond the Republican Party” as it drew support from Southern Democrats who “resent in principle the federal influence on local schools.”¹⁷⁵ It also earned accolades from the *Wall Street Journal*, which called Quie’s proposal an “attractive alternative” because it recognized that “negativism” would sacrifice the party’s chance of modifying the bill.

¹⁷⁴ Marjorie Hunter, “GOP Plan Raises Private Aid,” *New York Times*, April 27, 1967, 32.

¹⁷⁵ “Congress and the Schools,” *Washington Post*, April 27, 1967, A20.

“Retrenchment,” the *Journal* claimed “is a forlorn hope in the current context. For that reason the new GOP emphasis on block grants makes a good deal of sense.”¹⁷⁶

Unlike Republican efforts on the War on Poverty, the context for converting ESEA into a block grant was more challenging. Despite the support Quie’s proposal enjoyed from Southern Democrats and other conservative elites, there was little consensus on the need to reform ESEA among state officials, who could have provided leverage against the coalition of educational organizations, along with labor and civil rights groups, and organizations of private religious schools, who strongly endorsed existing arrangements. As Table 4.7 shows, no major group of state or local officials weighed in on the measure. Moreover, the only national groups on record supporting Quie’s amendment were the CSSO and the U.S. Chamber of Commerce.

The reticence of state and local organizations to wade into this thicket is understandable, not only because of the ESEA’s strong interest-group support and the Administration’s vociferous opposition to block grants¹⁷⁷, but also because there was little agreement among state and local officials about the severity of the problems which Quie’s bill proposed to solve or the extent to which block grants were an appropriate solution. The ACIR had issued no report on “controls” within federal education programs, and had steered clear of the subject of education altogether.¹⁷⁸ The U.S. Office of Education gave wide latitude to school districts and, because of its history as a passive research organization that distributed data to state and local officials, it was better equipped to establish a “service” relationship rather than one of control.¹⁷⁹ At the same time, the U.S. Office of Education used its strong research capacity to distribute frequent reports about the about the benefits of ESEA to these officials.¹⁸⁰

Thus Quie had a viable alternative, but lacked a support coalition to help realize it. Nevertheless, the proposal frightened Democrats. As one White House aide put it in late April, the results of Quie’s bill could “set the tone of the entire Congressional session... If the Republicans can put over their substitute, they’re clearly the masters of the House and anyone who wants a bill passed will be inclined to take their terms.”¹⁸¹ Yet regardless of the outcome, the bill represented skill, if not mastery, of grant-in-aid politics. In order to break up a potential conservative coalition on the floor, Rep. Edith Green (D-OR) introduced amendments to appeal to Southern Democrats and Republican supporters of Quie’s block-grant measure. These included requiring federal officials to

¹⁷⁶ “An Attractive Alternative,” *Wall Street Journal*, May 3, 1967, 16; “Education in Tax Sharing,” *Wall Street Journal*, Mar 5, 1967, 196; Joseph Sullivan, “School Aid Shift: GOP Urges Switch in U.S. Education Help to General-Use Funds,” *Wall Street Journal*, April 21, 1967, 1.

¹⁷⁷ Caroll Kilpatrick, “Johnson Asks Help to Block Republican School Act,” *Washington Post*, April 28, 1967, A1;

¹⁷⁸ ACIR Annual Reports, 1960–1967.

¹⁷⁹ Jerome Murphy, “Title I of ESEA: The Politics of Implementing Federal Education Reform,” *Harvard Educational Review* 41 (February, 1971), 42; John Hughes and Anne Hughes, *Equal Education: A New National Strategy* (Bloomington: Indiana University Press, 1972), 50.

¹⁸⁰ Gerald Grant, “GOP Education Bill Attacked by Howe,” *Washington Post*, April 25, 1967, A5; Survey of Schools Conducted by House Subcommittee on Education, 1965, Box 307, Edith Green Paper, ORHS.

¹⁸¹ Joseph Sullivan, “School Aid Shift: GOP Urges Switch in U.S. Education Help to General-Use Funds,” *Wall Street Journal*, April 21, 1967, 1

hold hearings before cutting off funds to school districts suspected of discrimination, requirements that desegregation guidelines be enforced uniformly in the North as well as the South, and the conversion of the ESEA's Title III program into a block grant to states.¹⁸²

Table 4.7. Major Groups Stands on Quie Bill

(a) Opposed

National Education Assn., U.S. Catholic Conference, American Council on Education, National Congress of Parents and Teachers, AFL–CIO, American Federation of Teachers, Citizens for Educational Freedom, Leadership Conference on Civil Rights, NAACP, American Assn. of University Women, Americans for Democratic Action

(b) Supporting

Council of Chief State School Officers,
U.S. Chamber of Commerce

(c) No Position

National Governors' Conference,
National Assn. of County Officials,
National Municipal Assn., U.S.
Conference of Mayors

Source: Two-Year Elementary School Aid Bill Enacted," *Congressional Quarterly Almanac* 23 (1967):6-611–6-636.

Green's bill succeeded in heading off the block-grant attempt, which lost on a 168–197 teller vote. Her own amendment passed 230–185, with virtually no support from Nonsouthern Democrats. Even with the loss, Quie had put the "entire program" on the line and sent Democratic leaders back to the drawing board, helping to partially discredit an Administration initiative.¹⁸³ Conservative policy entrepreneurs rejoiced. Anticipating the vote outcome, Roger Freeman wrote to the American Enterprise Association's William Baroody, Sr., that "the friends of tax sharing should lose no time in emphasizing that this is NO test of revenue sharing or block grants—only one particular approach to a particular program."¹⁸⁴ Moreover, "the failure should be used to emphasize what those who were around 20 years ago may still remember: you can't pass an education bill against opposition of private schools." As Freeman had it, it was "the time to act lest the

¹⁸² Marjorie Hunter, Rep Green Seeks Curbs on School Bill in House, *New York Times*, May 20, 1967, 15.

¹⁸³ Joseph Sullivan, "Authority of Both Parties' House Leaders Diluted in Long Battle On School Plans," *Wall Street Journal*, May 26, 1967, 6; Aldo Beckman, "House Winds Up Debate on Education Aid Bill," *Chicago Tribune*, May 23, 1967, A4.

¹⁸⁴ Roger Freeman to William Baroody, Sr., May 19, 1967, Box 334, Roger Freeman Papers, Hoover.

blow of defeat have a long-range psychological effect.”¹⁸⁵ Congressional conservatives wasted no time in trying again.

From Experiment to Proof: Rats, Crime, and Block Grants

While the block-grant concept had proved difficult to deploy in order to convert an existing program, especially one that state and local officials were unlikely to denounce, the going proved easier when conservatives used it to challenge *new* reform proposals. Conservatives experienced a first taste of success during a debate over the Administration’s Partnership for Health Amendments legislation in the summer and fall of 1967. Initially, the Administration had pushed a categorical grant program for rat extermination in urban areas, to be administered by the by HUD (H.R. 11000).¹⁸⁶ Republicans on the House Banking and Currency Committee strongly opposed the measure, writing in a minority report, arguing that “our common desire to eliminate rats, a natural and longtime enemy of man, does not justify the present legislation before us.”¹⁸⁷ Some House Republicans lampooned the measure, comparing Johnson to the “Pied Piper” and referring to the legislation as a “civil rats” bill that would create a “rat bureaucracy” and a “high commissioner of rats.”¹⁸⁸ In sharp contrast, the minority report drew more strongly on the criticisms about the bill’s “workability” and played off the comments of Rep. Henry Reuss (D–WI) who had called the program “terribly inflexible” and suggested it would skew the priorities of state and local public health officials from other important disease vectors, including pigeons and mosquitoes.¹⁸⁹

It is doubtful that the minority report’s technical criticisms were sincere. When the bill came up for consideration in July, 148 Republicans and 52 Southern Democrats successfully blocked debate on the measure.¹⁹⁰ Even in the face of strong criticism, minority whip Rep. Les Arends (R–IL) continued to urge members to oppose the measure.¹⁹¹ The leadership on the measure came from Rep. Melvin Laird (R–WI) who promised Reuss enough Republican votes to pass the rat control bill in exchange for a block-grant approach, which simply allowed state and local public health authorities to apply for funds if they wished to.¹⁹² Reuss introduced an amendment to that effect, and Laird supplied 68 votes, enough to pass the measure without the support of a majority of

¹⁸⁵ Ibid.

¹⁸⁶ H.R. 11000, 90th Cong. (1967); McLaughlin, Malcolm. “The Pied Piper of the Ghetto: Lyndon Johnson, Environmental Justice, and the Politics of Rat Control.” *Journal of Urban History* 37, no. 4 (2011): 541–561; “Partnership For Health Bill Includes Rat Control Funds,” *Congressional Quarterly Almanac* 23 (1967): 5–439–5–445.

¹⁸⁷ U.S. Congress, House of Representatives, Committee on Banking and Currency, Report on the Rat Extermination Act of 1967, 90th Cong., 1st sess., H Rept. 474, 9.

¹⁸⁸ “Rat Control Rejected,” *Congressional Quarterly Almanac* 23(1967):13–466.

¹⁸⁹ U.S. Congress, House of Representatives, Committee on Banking and Currency, Report on the Rat Extermination Act of 1967, 9–11.

¹⁹⁰ *Congressional Record* 90th Cong., 1st sess., 19555.

¹⁹¹ Rowland Evans and Robert Novak, “House GOP Schism Puts Laird at Head of Pragmatic Minority.”

¹⁹² Ibid.; Paul Coates, “Rat Humor at an End,” *Los Angeles Times*, September 27, 1967, 3; Vincent Burke, “House Reverses Stand, Votes Funds for Rat Extermination,” *Los Angeles Times*, September 20, 1967, 1; Aldo Beckman, “House OK’s 40 Million for Fight on Rats,” *Chicago Tribune*, September 21 1967, A4.

Southern Democrats. While some party leaders lashed out at Laird (Missouri's Durward Hall called for his impeachment), conservative columnists Rowland Evans and Robert Novak praised Laird for having both "conservative credentials" and an eye towards "winning elections."¹⁹³

A more sustained conservative effort to introduce block grants arrived in the form of an alternative to the Johnson Administration's Safe Streets and Crime Control Act of 1967.¹⁹⁴ Johnson's proposed legislation, based on the report of his National Advisory Commission on Civil Disorders, included direct aid to local governments in the form of categorical crime-control grants.¹⁹⁵ Direct aid, Attorney General Ramsey Clark argued, made sense because the states' involvement in local law enforcement was "almost nil...the state doesn't have the experience, it doesn't have the people, it doesn't make the investment in law enforcement and police that local governments make."¹⁹⁶ House Republicans quickly fired back during hearings on the proposal and by July, the Judiciary Committee reported legislation that contained five Republican amendments that required all local applications to be submitted to the governor for review, and called for judicial review of the Attorney General's decision to suspend payments to grantees.¹⁹⁷

Relying on model legislation from the RCC task forces, Republicans gradually switched their approach. Rather than placing restrictions on grants to localities, they took heed from the RCC's task force reports, which recommended that Republicans draw a sharper contrast with Democrats and draw on support from elected officials in the states.¹⁹⁸ The result was a substitution of the Administration's proposal for a block grant. Suddenly, direct grants to localities were, in the words of Gerald Ford "a federal administration deciding arbitrarily who will get what and how much."¹⁹⁹ Relying on this logic and on extensive coordination with the National Governors' Conference, Rep. William Cahill (R-NJ) introduced block-grant legislation in the House.²⁰⁰ Later adopted by a majority composed of Republican and Southern Democrats (see top panel of Table 4.8), Cahill's proposal created a block grant, which channeled 75 percent of federal planning and action funds directly to state agencies, and left 25 percent to the discretion of the Attorney General.²⁰¹

¹⁹³ Rowland Evans and Robert Novak, "House GOP Schism Puts Laird at Head of Pragmatic Minority."

¹⁹⁴ See, generally, Barry Mahoney, "The Politics of the Safe Streets Act, 1965-1973" (Ph.D. Diss., Columbia University, 1976), 72-148.

¹⁹⁵ ACIR, *Safe Streets Reconsidered: The Block Grant Experience, 1968-1975* (Washington, DC: GPO, 1977), 12.

¹⁹⁶ U.S. Congress, House, Committee on Judiciary, Subcommittee No. 5, *Anti-Crime Program Hearings*, 90th Cong., 1st sess., 65.

¹⁹⁷ "House Rewrites and Passes Safe Streets Bill," *Congressional Quarterly Almanac* 23 (1967): 13-848:13-853.

¹⁹⁸ Barry Mahoney, "The Politics of the Safe Streets Act, 1965-1973," 4-5.

¹⁹⁹ *Congressional Record*, 90th Cong., 1st sess., 21201.

²⁰⁰ Barry Mahoney, "The Politics of the Safe Streets Act, 1965-1973," 132-136.

²⁰¹ *Congressional Record*, 90th Cong., 1st sess., 21815-21816.

Table 4.8. Voting on Safe Streets Block Grants

	(a) Voting on Cahill Amendment			Total
	For	Against	Not Voting	
Nonsouthern Democrats	16 (10%)	129 (83%)	10 (6%)	155 (100%)
Southern Democrats	68 (75%)	14 (51%)	9 (10%)	91 (100%)
Republicans	172 (92%)	4 (2%)	11 (13%)	187 (100%)

	(b) Voting on Dirksen Amendment			Total
	For	Against	Not Voting	
Nonsouthern Democrats	6 (14%)	23 (52%)	15 (34%)	44 (100%)
Southern Democrats	10 (50%)	6 (30%)	4 (20%)	20 (100%)
Republicans	32 (89%)	0 (0%)	4 (11%)	36 (100%)

Sources: “House Approves Block Grants to States for Law Enforcement; Passes Anticrime Bill; Approves D.C. Reorganization Plan,” *Congressional Quarterly Almanac* 23 (1967): 50-H–51-H; Congressional Record, 90th Cong., 2nd sess., 14753.

In the Senate, a parallel debate ensued, with Republican members of the Judiciary Committee arguing that “we don’t want the Attorney General, the so-called ‘Mr. Big’ of Federal law enforcement to become the director of State and local law enforcement as well.”²⁰² As Senate Minority Leader Everett Dirksen put it, “We are never going to do a job in this field until we have a captain at the top, in the form of the Governor.”²⁰³ Dirksen introduced his own block grant amendment, nearly identical to Cahill’s. The U.S. Conference of Mayors opposed the measure, yet found itself in a newly precarious position. Not only were their cities burning and in need of law-enforcement assistance, a large coalition of congressional conservatives, combined with a majority of the National Governors’ Conference, supported block grants.²⁰⁴

Similarly, Nonsouthern Democrats, including Edmund Muskie, worked on behalf of the Administration to challenge the Dirksen proposal by suggesting that it was localities rather than states that should have control over the funds. But they found it

²⁰² U.S. Congress, Senate, Report on Omnibus Crime Control and Safe Streets Act of 1967, 90th Cong., 2nd sess., S. Rept. 1097, 230.

²⁰³ *Congressional Record*, 90th Cong., 2nd sess., 14753.

²⁰⁴ Barry Mahoney, “The Politics of the Safe Streets Act, 1965–1973,” 120, 144.

difficult to rally their colleagues, 16 of whom took no position on the Dirksen measure, which passed 48–29 (see bottom panel of Table 4.8). A last ditch effort by Rep. Emmanuel Celler (D–NY) to delete the block grant provisions in a Conference Committee failed overwhelmingly on a vote taken just 12 hours after the assassination of Robert Kennedy.²⁰⁵ In the end, the bill Congress sent to the President’s desk bore the name he had given it, but had been rewritten entirely as a series of block grants to state planning agencies. Though Johnson had fought quietly against the block-grant changes, he made no criticism of them when signing the bill, which he claimed would do “more good than bad.”²⁰⁶ Creative federalism, his rhetorical attempt to defend against conservative criticism of a centralized state, was effectively stillborn. With the help of the ACIR, conservatives effectively preempted it with an assemblage of policy ideas that became known as the “New Federalism.”

Conclusion

The policy ideas and political strategies that helped conservative policy entrepreneurs to discredit Johnson Administration’s “creative federalism” did not emerge from pre-set menu of conservative answers or from the sharp minds of party strategists, independently coupling their pet solutions to new problems. Rather, the ACIR enabled conservatives to bring issues of federalism to the fore in three distinctive ways. First, the Commission now had the capacity to quickly generate information and draft legislation that responded to new policy reforms, and used it to articulate a particular vision of what was “wrong” in the federal system and how to solve it. Through both cutting-edge evaluations of new federal programs and long-term studies of fiscal-balance analyses of federal programs, the ACIR was “first on the scene” in providing an evaluation of the Great Society’s approach to poverty and of the “urban crisis,” one which ignored the political problems that led to riots and the benefits of Great Society programs for beneficiaries, while attending to the inability of state and local governments to effectively control federal programs and of their overall fiscal incapacity to deal with community needs. Thus unlike the analysis of liberal economists, the ACIR’s reports on revenue sharing specifically as a solution to state and local officials’ lack of *control*, not just their lack of revenue sources. This offered a usable and rhetorically appealing story that conservative policy entrepreneurs hammered on throughout the 90th Congress.

The ACIR also became an increasingly important venue for brokerage between conservatives and state and local government officials during a period of federal expansion. While it is tempting to see revenue sharing, block grants, and enhanced federal-state consultation processes as the result of either conservatives or state and local officials working independently from one another, the evidence clearly shows that they

²⁰⁵ Ibid., 172–173.

²⁰⁶ Lyndon B. Johnson, “Statement by the President Upon Signing the Omnibus Crime Control and Safe Streets Act of 1968.,” June 19, 1968, available: <http://www.presidency.ucsb.edu/ws/?pid=28939>, accessed January 10, 2015.

only could have produced these ideas by working together. State and local officials were hardly capable of mobilizing individually or through their national associations to support reforms, and lacked the policy expertise possessed by ACIR. Similarly, without the ACIR, conservatives would have had little opportunity to forge a common purpose with state and local officials. Members of the RCC, as well as groups like the Chamber and NAM deliberately used the ACIR to develop ties to state and local officials and to co-sponsor broad reforms to the federal grant-in-aid system. By contrast, the Administration's own defensive proposals for reform—which lacked ACIR support—received little action and attention.

Finally, the ACIR allowed conservative policy entrepreneurs who staffed the RCC's task forces to accrue strategic knowledge to develop viable policy alternatives. Well before the major Republican gains in the 1966 elections, new concepts of intergovernmental reform were already on the table and ready to be deployed. The 90th Congress proved a fruitful laboratory for experimenting with block grants, which Republicans discovered could push liberals onto the defensive in the case of education. Where the ACIR had built significant support for reform, on issues of urban policy, Republicans found that introducing block grants could force the Administration to capitulate.

To be sure, the coalitions and policy alternatives forged by the ACIR had little to do with sharp electoral tides that enabled conservatives to wage war on the Great Society. By 1964, a partisan realignment was already well underway which, combined with increasing racial backlash and unpopular foreign incursions, placed sharp limits on the Johnson Administration's achievements. What the ACIR's work during this period *does* help to explain is the reforms conservatives introduced when the opportunities presented themselves. These solutions were not an obvious conservative reaction to Great Society programs, nor were they congressional conservatives' "first choice." Instead, they were the product of an institution, the ACIR, which generated information, aided in coalition building, and allowed conservatives to build strategic knowledge about viable policy alternatives. As the next chapter shows, conservatives also relied on this institution to capitalize on their new opportunities for reform.

Chapter Five

The New Politics of Federalism, 1969–1996

Most of you know that the real moving force behind revenue sharing was not any of the people who have been credited with a great amount of influence over it in recent years, but the Advisory Commission on Intergovernmental Relations... Without the tremendous refinement and crystallization of the idea of revenue sharing that has been supplied in that Commission, I doubt whether the quality of the proposals that have been submitted by the Administration and those submitted by the Chairman of the Ways and Means Committee would have ever come into public attention, nor would they even have been understood.

Spiro T. Agnew (1972)¹

[The ACIR] is another agency with which most taxpayers agree exists to duplicate the functions being performed in so many other areas... It is not possible to think that a small federal agency that has a budget of slightly over a million dollars can somehow be the grease that coordinates everything that goes on between all levels of government in this country. I submit that it exists to give certain people a platform from which most of what they say goes unnoticed... If it were abolished, it would not be noticed.

Ernest Istook (1994)²

On August 8, 1969, President Nixon gave a nationally televised speech on his domestic policy agenda, the core of which focused on his argument that a “century of centralizing power and responsibility in Washington has produced a bureaucratic monstrosity, cumbersome, unresponsive, ineffective.”³ Nixon’s definition of the problem and his proposed solutions to it—revenue sharing and block grants—were nothing new. His Pre-Inaugural Task Force on Intergovernmental Fiscal Relations, led by the Brookings Institution’s Richard Nathan, drew almost exclusively on ACIR data and recommendations, which gave the Administration the ability to “accept as an initial task reforming the federal aid system.”⁴ As this chapter shows, the ACIR was also instrumental to creating and sustaining major “New Federalism” reforms that moved to the center of domestic policy debates beginning in the 1970s.

The first half of the chapter details three shifts in the ACIR’s role as a generative institution. First, from the 1970s to the 1990s, the Commission produced authoritative

¹ NGC, Proceedings of the 1972 Winter Meeting of the National Governors’ Conference, February 24, 1972, Washington, DC, (Washington, DC: NGC, 1972), 65.

² *Congressional Record*, 103rd Cong., 2nd Sess., 13068.

³ Richard Nixon, “Address to the Nation on Domestic Programs,” August 8, 1969, available <http://www.presidency.ucsb.edu/ws/?pid=2191>, accessed January 10, 2015.

⁴ The Task Force on Intergovernmental Fiscal Relations, Report to President-Elect Richard M. Nixon, Third Draft, November 22, 1968, Richard Nathan Papers, Box 67, Hoover.

information about intergovernmental policy problems, including problems with the effective implementation of major New Federalism initiatives. Second, the ACIR continued to serve the role of a broker between conservative policy entrepreneurs and state and local governments, though this role became sharply delimited in the 1980s as the result of increasing tension between the two sets of actors, as well as conservative organizational innovations that acted as alternative venues for deliberating intergovernmental issues. Third, despite the Commission's weakening brokerage capacity, it remained a source of strategic knowledge about viable policy alternatives, including reforms designed to improve upon policy accomplishments conservatives had made in the 1970s, including block grants and revenue sharing, as well as alternatives targeted towards reforming the practice of federal mandates on state and local governments.

The results of these shifts, as the second half of the chapter suggests, were profound. Not only did the ACIR provide the venue and policy recommendations that allowed a coalition on revenue sharing to form, it killed an election-year attempt by the Nixon Administration to reform locally financed education systems. Furthermore, the ACIR successfully promoted viable policy alternatives, including block grants and administrative reforms to categorical programs, that redistributed authority to state and local elected officials to control (and limit) the use of federal funds. The Commission also overcame significant collective-action problems that had hampered state and local governments' attempts to limit federal mandates. A sustained effort for mandate reform resulted in ACIR-drafted measures that made costly mandates more visible and painful for members of Congress to enact.⁵ These policy changes, the evidence suggests, would not have emerged onto the congressional agenda when and how they did in the absence of the ACIR's work.

In the end, changes in the organizational environment weakened the Commission's capacity to broker a major structural overhaul to the federal system and ultimately undermined support for the organization itself. Weakening conservative support for the ACIR, which meant limited budgets, gradually constrained its ability to generate information and strategic knowledge. Despite its dissolution in 1996, however, the Commission wrought major changes. The result of its work was not the retrenchment of the federal government's activist tendencies, as many conservatives hoped, but a more robust role for state and local elected officials in determining the outcome of federal programs.

I. The ACIR in the Era of New Federalism

As the New Federalism agenda the ACIR had helped to spawn came to the forefront of

⁵ Richard Nathan, *The Plot That Failed: Nixon and the Administrative Presidency* (New York: John Wiley and Sons, 1975), 23–24, 31. According to Nathan, an assistant director of OMB, the overarching purpose of these reforms was to “weaken the federal bureaucracy” and empower generalists at the local level. Indeed, in an account filled with stories of programmatic failure, block grants and revenue sharing stand out as major accomplishments.

political debate, the Commission remained an important actor in promoting policies to expand the role of state and local governments in the administration of national programs. In the 1970s and 1980s, Republican presidents selected private citizens, and state and local leaders who were committed to the ideals of New Federalism. With the exception of congressional appointees, Nonsouthern Democrats also made up a small minority of new appointees during this period (see Table 5.1).

As this section shows, the ACIR could rely on more than the Administration's commitment to advance the New Federalism agenda. Rather, starting in the 1970s, the ACIR expanded its capacity delivering high-quality information about the intergovernmental effects of public policy, which reinforced its capacity to build linkages with stakeholders and develop viable policy alternatives. It also continued to serve as a broker between conservatives and state and local governments in the 1970s, though this was increasingly difficult in the 1980s as conservative organizational developments and increasingly divergent policy preferences with state and local officials precluded the ACIR from acting as a broker, especially when it came to issues of fiscal federalism. Weakening brokerage also meant that the ACIR's budget for generating new information and strategic knowledge declined. By the 1990s, it was a candidate for retrenchment. Even so, ACIR solutions on regulatory reform remained a source of strategic knowledge for conservative policy entrepreneurs long after the Commission had peaked in importance.

Table 5.1. Nonsouthern Democrats as Number (%) of New ACIR Appointees, 1969–1994

	<i>1969–1980</i>	<i>1981–1994</i>	<i>All Years</i>
Congressional Appointees			
Representatives	3 (75%)	5 (46%)	8 (53%)
Senators	1 (17%)	4 (67%)	5 (42%)
Presidential Appointees			
State Legislators	6 (67%)	3 (20%)	9 (38%)
Governors	3 (20%)	5 (42%)	8 (29%)
Private Citizens	3 (33%)	2 (25%)	5 (29%)
Mayors	1 (8%)	6 (43%)	7 (27%)
Executive Branch	6 (40%)	3 (14%)	9 (24%)
County Officials	1 (13%)	3 (23%)	4 (19%)
Total	18 (28%)	28 (35%)	46 (32%)

Source: Author's coding of "ACIR Membership: 1959–1994," *Intergovernmental Perspective* 20(3, 1994): 34–36.

“An Intimate Knowledge of How the System Works”: The ACIR’s Informational Edge Throughout the 1970s and 1980s, the ACIR continued to produce unique, reputable information about intergovernmental policy problems that allowed it to speak with authority about the need for reforms and how to improve the implementation of existing reforms. As Table 5.2 suggests, the middle of the 1970s was a particularly productive time for the Commission. Not only did it produce a prodigious amount of policy reports, its reports underwent more stringent checks for readability and clarity.⁶ The ACIR also diversified its research products to enhance the organization’s influence with a diverse set of audiences. In addition to its densely packed studies of fiscal trends featured in *Significant Features of Fiscal Federalism*, the ACIR’s *Information Bulletin* and *Congress Watch* provided information to policymakers and researchers at all levels of government about the progress of new ACIR-backed revenue-sharing and block grant legislation in Congress.⁷ Occasional periodicals, such as the *Revenue Sharing Bulletin*, informed stakeholders about the successes (and failures) of these policies once implemented.⁸ First released in 1975, *Intergovernmental Perspective* featured thoughtfully composed long-form essays by federalism scholars on issues of major concern.⁹ A 1980 issue, for instance, documented a twenty-year trend towards “strengthened state governments” alongside an increase in governmental activity at all levels.¹⁰

The ACIR also branched out to analyze and frame new policy problems through public-opinion research. While state and local government organizations were focused on the implementation of New Federalism reforms, the Commission contracted with the Opinion Research Corporation to assess citizen attitudes towards taxation and the power of the federal government. In 1972, the Commission began to assess public satisfaction with federal, state, and local taxes and reported that local property taxes were widely perceived as the “most unfair” in the nation.¹¹ ACIR policy analyses gradually incorporated the results of these surveys.¹² By 1978, after introducing annual questions that replicated the 1964 study of Lloyd Free and Hadley Cantril about citizen attitudes towards power of the federal government, the Commission surveys began to suggest that “the country is polarized as to whether the federal government should play a stronger or weaker role in public affairs”; as the percent of individuals who believed the federal

⁶ William G. Colman to Members of the ACIR, October 29, 1969, Richard Lugar Collection, Box 94, UIND.

⁷ See for example ACIR’s “Significant Features of Fiscal Federalism” Data, William Hudnut Collection, Box 171, Folder 40, Box 171, UIND; ACIR Information Bulletin No. 69-5, March 1, 1969, Richard Lugar Collection, Box 98, UIND; Wayne A Clark, *A History of the Advisory Commission on Intergovernmental Relations* (Washington, DC: Advisory Commission on Intergovernmental Relations, 1985), 97.

⁸ *Revenue Sharing Bulletin* 1 (5, 1973), Richard Lugar Collection, Box 98, UIND; *Revenue Sharing Bulletin* 2(13, 1974), Richard Lugar Collection Box 97, UIND.

⁹ See for example, Michael Bell and Richard Gaebler, “Government Growth: An Intergovernmental Concern,” *Intergovernmental Perspective* 2 (4, 1976): 8–14; Wayne A Clark, *A History of the Advisory Commission on Intergovernmental Relations*, 97.

¹⁰ Carl Stenberg, “Federalism in Transition: 1959–1979,” *Intergovernmental Perspective* 6 (1, 1980): 4–13.

¹¹ See for example Public Opinion & Taxes, ACIR, May 1972, Richard Lugar Collection, Box 56, UIND.

¹² Financing Schools and Property Tax Relief-A State, Richard Lugar Collection, Box 93, Folder 1, UIND.

government was exercising “just the right amount of power” fell by half since 1964.¹³

Table 5.2. Development of ACIR Research Products

(a) Number of Major ACIR Publications, 1964–1994

1964–1968	41
1969–1973	49
1974–1978	67
1979–1983	47
1984–1988	41
1989–1994	47

(b) New Regular Publications by the ACIR, 1969–1978

Publication Name	Year Established	Description
<i>Significant Features of State and Local Finances/ Fiscal Federalism</i>	1969	Informational reports on sources of state and local revenue, revenue growth, effort, taxation, aid.
<i>Information Bulletins</i>	1969	Occasional periodical for federal, state and local officials, members of Congress, academics on developments in intergovernmental relations
<i>Public Opinion Surveys on Attitudes Towards Government and Taxes</i>	1972	Annual Survey for policymakers and journalists conducted by the Opinion Research Corporation
<i>Intergovernmental Perspective</i>	1975	Quarterly magazine for policymakers summarizing ACIR studies on key topics
<i>In Brief</i>	1978	Short summaries of major reports

Source: “Publications of ACIR, 1960–1994,” *Intergovernmental Perspective* 20(3, 1994): 37–43.

¹³ ACIR, *Changing Public Attitudes on Governments and Taxes* (ACIR, 1978), 2, 10–11.

It is overwhelmingly evident that ACIR's studies reinforced its capacity to build linkages with stakeholders and to define viable policy alternatives. By the 1970s, the ACIR's studies were known to be consequential for speeding along reforms in the federal system and defining the limits of appropriate action on the part of the federal government.¹⁴ State and local governments, federal agencies like the Department of Labor and nonprofits like the Ford Foundation routinely offered fiscal support to the Commission to ensure that they included specific case studies illustrating problems of interest to them.¹⁵ So numerous were the requests that in 1969, the Commission's William Colman wrote in a memo to the membership that the agency was now capable of "being selective" in order to focus on its statutory mandate. As Colman put it:

With due modesty, it appears that the Commission has acquired a reputation in a variety of quarters for competent staff work in the fields of public finance, public administration, and intergovernmental relations in particular. The growth of governmental programs places an increasing premium on intimate knowledge of how the federal system works and the intricacies of administrative, functional and financial relationships among various branches and levels of government. The ACIR has acquired this kind of knowledge. We have said "no" many times to individual States, cities, counties, and Federal agencies that have asked us to undertake particular consulting assignments on a reimbursable basis.¹⁶

Moreover, federal agencies also began to view the release of unfavorable Commission reports as a threat, yet one that was difficult to challenge because of the Commission's strong interest-group support. In 1969, for instance, Undersecretary of Labor J.D. Hodgson wrote to the Commission to protest the release of a report on labor-management relations that criticized the 1966 amendments to the Fair Labor Standards Act, which set a floor on the minimum wage of state and local government employees and argued for the avoidance of future federal mandates on state and local governments.¹⁷ Noting Labor's "serious reservations" about the recommendation, Hodgson urged that the Commission to at the very least note the Department's opposition to the recommendation in the final version of the report. The Commission refused to honor Hodgson's request and published the report with no statement from the department.¹⁸

¹⁴ Executive Director to ACIR Members, November 11, 1974, Richard Lugar Collection, Box 97, UIND; *City Perspective* 6 (21, 1974), Richard Lugar Collection, Box 97, UIND.

¹⁵ William G. Colman to William C. Pendleton, March 17, 1969, Richard Lugar Papers, Box 121, Folder 2, UIND; Gordon M. Murray to William G. Colman, March 16, 1969, Richard Lugar Collection, Box 121, Folder 2, UIND.

¹⁶ William G. Colman to Members of the ACIR, March 24, 1969, Richard Lugar Collection, Box 121, Folder 2, UIND.

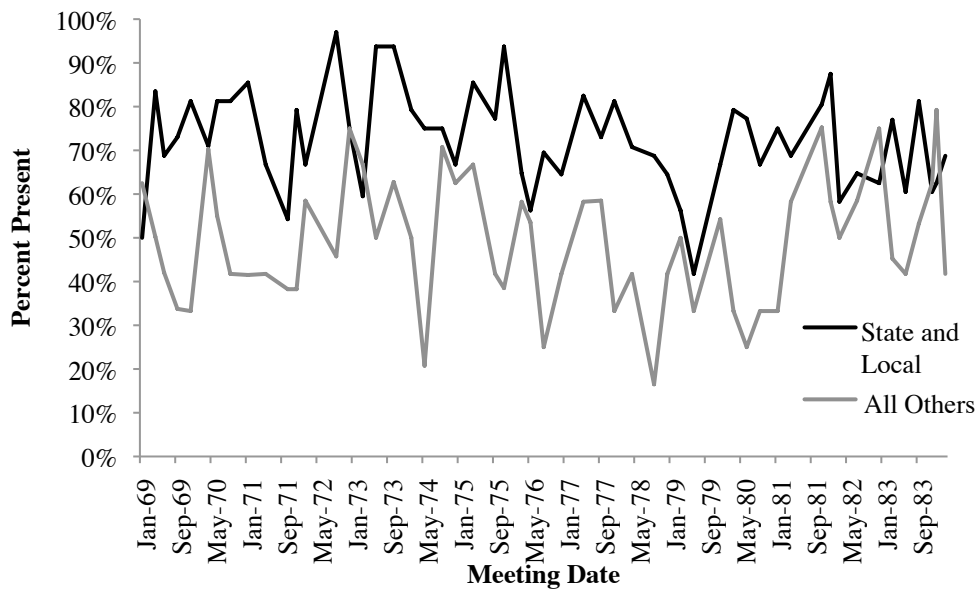
¹⁷ J.D. Hodgson to Farris Bryant, June 13, 1969, Richard Lugar Collection, Box 98, UIND; Millard Cass to William G. Colman, September 9, 1969, Richard Lugar Collection, Box 98, UIND; William G. Colman to ACIR Members, September 12, 1969, Richard Lugar Collection, Box 98, UIND.

¹⁸ ACIR, *Labor-Management Policies for State and Local Government* (Washington, DC: GPO, 1969), 111-112.

From Broker to Appendage

While the ACIR’s capacity for delivering relevant policy information remained high across much of the period examined here, its capacity for brokering relationships between conservative policy entrepreneurs and state and local officials changed as the result of conservative organizational innovations and increasing friction between the Reagan Administration and state and local officials. As Figure 5.1 shows, state and local officials’ participation at ACIR meetings remained especially strong between 1969 and 1978. For much of the 1970s, the ACIR was led by Robert Merriam, a moderate Republican, and served as a link between the White House and state and local officials.¹⁹ Among the federal officials most involved with the Commission was Vice President Spiro T. Agnew, who routinely engaged with state and local governments through the Commission to advance the administration’s agenda on revenue sharing and block grants, as well as its attempt to pass the Family Assistance Plan, which would have given the federal government the responsibility to finance a “welfare to work” program in place of Aid to Families with Dependent Children.²⁰

Figure 5.1. Attendance at ACIR Meetings, 1969–1984



Source: See Figure 3.2.

¹⁹ “ACIR Membership: 1959–1994,” *Intergovernmental Perspective* 20(3, 1994): 34–36; Wayne Clark, *A History of the Advisory Commission on Intergovernmental Relations*, 78–124.

²⁰ Richard Lugar to Spiro T. Agnew, February 26, 1971, Richard Lugar Collection, Box 13, UIND; Spiro T. Agnew to Richard Lugar, April 20, 1969, Richard Lugar Collection, Box 48, UIND; Farris Bryant to Spiro Agnew, May 12, 1969, Richard Lugar Collection, Box 94, UIND; Spiro Agnew to Farris Bryant, May 20, 1969, Richard Lugar Collection, Box 94, UIND; Press Release on Agnew’s Participation in Revenue Sharing Meeting in Indianapolis, February 18, 1971, Richard Lugar Collection, Box 97, UIND; Handwritten Note: Agnew - Problem of Who Should Tax and Solve Which Problems, July 7 & 8 1969 White House Meeting Tax Revenue Sharing, Richard Lugar Collection, Box 48, UIND.

In the early 1970s, the ACIR also provided a critical access point for state and local governments to negotiate with federal officials and one another to promote reforms that expanded their authority. As of 1969, the organization adopted a formal policy of sending all ACIR mailings, including meeting notices, minutes, docket books, draft reports and newsletters. It also made increasing efforts to involve major public interest groups in the selection of report topics, discussions at regular meetings, and critique of final reports.²¹ Further, after the passage of major reforms, the ACIR held hearings across the country, which gave state and local officials the ability to report about the successes and failures of block-grant and revenue sharing programs to federal officials from both the executive and legislative branches.²²

The Commission's capacity to broker relationships between conservatives and state and local officials became especially strained in the late 1970s, however, for three reasons. First, an economic recession a series of tax revolts in the states drove a wedge between the preferences of conservatives and intergovernmental interest groups.²³ Whereas conservatives in the 1960s and early 1970s focused on redistributing administrative authority, tightening budgets to fund federal programs and in many cases public outcry against high rates of taxation changed that situation. When state and local governments demanded that the federal government assume some of the fiscal responsibilities, conservatives refused. The Reagan Administration deepened the schism with budget cuts that left state governments responsible for an increasing share of Medicaid payments.²⁴

Further hampering the ACIR's capacity to broker these tense relationships was the development of new organizational networks that tied congressional conservatives and the Reagan Administration to policymakers at the state level. Reagan, himself a member of the ACIR while the governor of California, saw its block grant reforms as a "first step" to restoring the states' power, but believed that conservatives should be pushing further, and faster.²⁵ In 1973, policy entrepreneurs and conservative-movement veterans Paul Weyrich and Ed Feulner founded both a new conservative think tank, the Heritage Foundation, and an intergovernmental network called the American Legislative

²¹ Draft, Policies & Practices to Encourage Participation by Public Interest Groups in ACIR, Richard Lugar Collection, Box 56, UIND.

²² Wayne Clark, *A History of the Advisory Commission on Intergovernmental Relations*, 90–91.

²³ See Bruce Wallin, *From Revenue Sharing to Deficit Sharing: General Revenue Sharing and Cities* (Washington, DC: Georgetown University Press, 1998), 117–134; Roger Biles, *Urban America and the Federal Government* (Lawrence, KS: University Press of Kansas, 2006), 200–221, 250–286; Timothy Conlan, "Federalism and Competing Values in the Reagan Administration," *Publius: The Journal of Federalism* 16 (1, 1986): 29–48; Richard S. Williamson, "A New Federalism: Proposals and Achievements of President Reagan's First Three Years," *Publius: The Journal of Federalism* 16 (1, 1986): 11–28.

²⁴ Diane Rowlands, Barbara Lyons, and Jennifer Edwards, "Medicaid: Health Care for the Poor in the Reagan Era," *Annual Review of Public Health* 9 (1, 1988): 427–450.

²⁵ Reagan on *Meet the Press*, September 12, 1971. Quoted in Richard S. Williamson, *Reagan's Federalism: His Efforts to Decentralize Government* (Lanham, MD: University Press of America, 1990), 38.

Exchange Council (ALEC).²⁶ Made up principally of members of Congress and state legislators, ALEC coordinated policy action in Washington and the states and drafted model legislation to aid state legislators enact its agenda, which focused largely on minimizing the role of government at *all* levels through taxation and expenditure limits, indexing state taxes to the Consumer Price Index, and prohibitions on public employee unions.²⁷ As Feulner put it, the design of ALEC was not terribly different from that of the ACIR:

My original vision for [the American Legislative Exchange Council] might sound philosophical, but in fact I think it is very practical. I genuinely believe that ideas have consequences. But in order to have specific consequences in the public policy arena, there has to be a transmission mechanism to get them to individuals who can act on them. [The Council] is just such a mechanism. There are a lot of fine ideas, not just here in Washington, but throughout the nation's fifty state capitals.²⁸

Through annual seminars, weekly policy briefings, and legislative “sourcebooks,” ALEC became a counterpoint to the increasingly professionalized “Big 7” intergovernmental organizations, which continued to support federal spending, with appropriate restrictions on federal control, even as conservatives’ taste for budget cutting developed.²⁹ Between 1976 and 1981, ALEC gained over eighty thousand new individual contributors, over forty thousand new members, and over \$1.2 million dollars in annual budget (see Table 5.3). Together with the Heritage Foundation, ALEC also became a key ally in Reagan’s attempt retrench federal social programs, and routinely endorsed the Administration’s positions through task forces that mirrored the White House cabinet structure.³⁰

The Reagan Administration further contributed to the breakdown in brokerage capacity by creating new task forces and commissions to advise it on intergovernmental issues and turning over the chairmanship of the ACIR to administration loyalists Secretary of Interior James Watt and his former political advisor Robert B. Hawkins.³¹ In

²⁶ American Legislative Exchange Council, Annual Report, 1981 (Washington, DC: American Legislative Exchange Council, 1981); “*First Reading* Interviews Dr. Edwin J. Feulner, President of the Heritage Foundation,” *First Reading: The Newsletter of the American Legislative Exchange Council* 8 (2, 1982): 1.

²⁷ ALEC’s work on these policy issues is well documented in the publications *First Reading* and *The State Factor*. See Carton 6, Folders 26–30, People for the American Way Collection of Conservative Political Ephemera, BANC.

²⁸ “*First Reading* Interviews Dr. Edwin J. Feulner, President of the Heritage Foundation,” *First Reading: The Newsletter of the American Legislative Exchange Council* 8 (2, 1982): 1.

²⁹ *Ibid.*; On the professionalization of intergovernmental organizations, see Donald Haider, *When Governments Come to Washington: Governors, Mayors, and Intergovernmental Lobbying* (New York: Free Press, 1974); Larry Sabato, *Goodbye to Good-Time Charlie: The American Governorship Transformed*, 2nd ed. (Washington, DC: CQ Press, 1983).

³⁰ “The Summits Continue: Reagan and ALEC,” *First Reading* 8 (1, 1982), 1–6.

³¹ Bruce D. McDowell, “Advisory Commission on Intergovernmental Relations in 1996: The End of an Era,” *Publius: The Journal of Federalism* 27 (2, 1997): 111–127.

1981, Reagan used an executive order to establish the President’s Advisory Committee on Federalism and began to negotiate his package of fiscal reforms directly with governors, mayors, and state legislators.³² Thus as the organizational capacity of conservatives for building policy coalitions increased, the ACIR became an appendage rather than a broker.

Table 5.3. Growth of the American Legislative Exchange Council, 1976–1981

	<i>Individual Contributors</i>	<i>Members</i>	<i>Budget (in Thousands)</i>
1976	42	46	\$75,000
1981	81,000	1,500	\$1,300,000

Source: American Legislative Exchange Council, *Annual Report, 1981* (Washington, DC: American Legislative Exchange Council, 1981).

ACIR’s weakened brokerage capacity, in turn, made it a target for conservative budget cutting.³³ Cuts at the Commission mirrored broader patterns in conservative approaches to the production of policy knowledge; during the Reagan Administration, budget authority for policy analysis agencies within government fell sharply. Between 1980 and 1986, for example, budget authority for the Bureau of Labor Statistics and the Census dropped by one-fifth in constant dollars. Budget cuts at the Department of Health, Education, and Welfare eliminated two-thirds of the agency’s analytical staff and eliminated numerous policy experiments.³⁴ While the ACIR enjoyed only a fraction of Congressional appropriations for such organizations, this meant that small cuts went deep. In 1982, budget shortfalls forced 25 percent of the ACIR’s staff members to retire.³⁵ By 1985, only three full-time equivalent staff members remained. That year, the Commission also scaled back the number of studies it planned and cut publication runs of reports from roughly 10,000 to 4,000 copies.³⁶ By 1994, as Figure 5.2 shows, the Commission’s congressional appropriation had fallen over 200 percent in constant dollars.

With less valuable information to offer, the ACIR also quickly lost the backing of state and local officials. Declining federal budgets forced the Commission to rely on nominal voluntary contributions from state and local governments. Since these were hardly enough to make up its budget losses, the Commission also ended the free distribution of its publications and began charging fees for its publications and a new

³² Richard S. Williamson, “The 1982 New Federalism Negotiations,” *Publius* 13 (2, 1983): 11–32.

³³ Bruce D. McDowell, “Advisory Commission on Intergovernmental Relations in 1996”; Tim Conlan, “From Cooperative to Opportunistic Federalism: Reflections on the Half-Century Anniversary of the Commission on Intergovernmental Relations,” *Public Administration Review* 66 (5, 2006): 663–676.

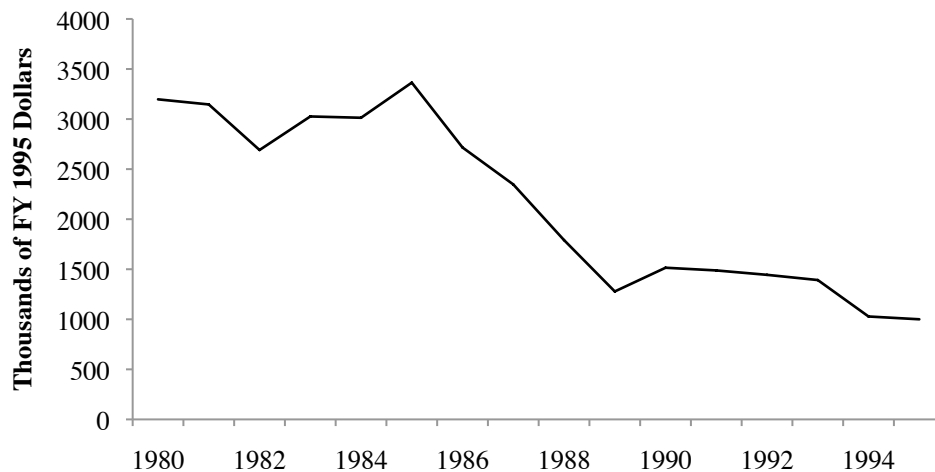
³⁴ Walter Williams, *Honest Numbers and Democracy* (Washington, DC: Georgetown University Press, 1998); Bryan Jones and Walter Williams, *The Politics of Bad Ideas: The Great Tax Cut Delusion and the Decline of Good Government in America* (New York: Pearson-Longman, 2008), 243.

³⁵ ACIR, 27th Annual Report (Washington, DC: GPO, 1986), 27.

³⁶ *Ibid.*, 29.

series of computer-ready data files on state and local finances.³⁷ Yet yearly sales between 1986 and 1995 peaked at \$70,000 dollars. More importantly, the new policy also limited the circulation of reports to a relatively limited number of federal, state, and local officials.³⁸

**Figure 5.2. Congressional Appropriations for ACIR, 1980–1994
(Constant FY 1995 Dollars)**



Source: Author’s coding of ACIR Annual Reports, 1980–1995.

Facing declining benefits and conservative leadership that increasingly diverged from their positions on fiscal issues, state and local officials soon abandoned their support for the ACIR. By 1993, all seven of the major intergovernmental organizations registered serious opposition to the ACIR. Executive directors of six of these organizations sent a letter to President Clinton demanding, in exchange for their support, the appointment of a new chair and cabinet members willing to work on reforms to improve the states’ fiscal capacities.³⁹

By 1993, with the ACIR increasingly redundant for conservatives and state and local officials alike, it was not difficult for Rep. Ernest Istook (R–OR) to lead the charge for demolishing the organization.⁴⁰ Not only had intergovernmental organizations threatened to walk out on it, the Commission had come onto the radar of conservative think tanks as one of a number of government analysis units that contributed to “waste.” Nor were liberals eager to defend an organization that had been instrumental in pushing them onto the defensive on mandate reform. When the Commission proposed the elimination of thirteen politically sensitive federal mandates—including those that

³⁷ Ibid.

³⁸ Bruce McDowell, “Advisory Commission on Intergovernmental Relations in 1996: The End of an Era,” 124.

³⁹ Ibid., 123.

⁴⁰ Ibid.

protected the rights of the disabled—an interest-group coalition took swift action in chastising the organization, and the Clinton Administration swiftly orchestrated the defeat of the Commission’s proposed report.⁴¹ Istook’s proposed termination of the ACIR passed Congress in 1996 with little fanfare.⁴² It signaled more than opposition to government waste, however. Instead, it marked the resurgence of an infrastructure for producing relevant information for policymakers, coordinating coalitions, and building a store of strategic knowledge coordinating conservative policy action that did not exist at the time of the ACIR’s creation.

Strategic Knowledge: From Fiscal to Regulatory Reforms

The ACIR’s declining brokerage capacity notwithstanding, the Commission retained its value for conservative policy entrepreneurs by delivering policy alternatives on which they could act. In the 1970s, the Commission largely produced policy recommendations and draft legislation on amending intergovernmental aid programs to increase autonomy of state and local governments.⁴³ As state and local governments attempted to take the reins in block grant programs, the ACIR published a ten-volume study that examined problems of continued central control and recommended reforms to prevent the “recategorization” of block grants through congressional and administrative action. More importantly, reasoning that categorical grants themselves would not soon go away, the Commission produced recommendations for improving state and local control within these programs, through executive orders and circulars issued by the Office of Management and Budget (OMB).⁴⁴

Yet with weakened brokerage capacity on fiscal issues in the 1980s, the Commission’s recommendations for overhauling the federal system to transfer fiscal

⁴¹ Paul Posner, *The Politics of Unfunded Mandates*, 202–203.

⁴² Bruce McDowell, “Advisory Commission on Intergovernmental Relations in 1996: The End of an Era.”

⁴³ Local and Areawide Governmental Reorganization and the Substate Regional Challenge, Richard Lugar Collection, Box 98, UIND; Attachment C, Recommendations from Substate Regionalism in the Federal System Item, Meeting March 8-9, 1973 Minutes, Richard Lugar Collection Box 94, UIND; Substate Regionalism and the Federal System Richard Lugar Collection, Box 98, UIND; Substate and Regionalism and the Federal System (In Five Volumes), Minutes June 21-23, 1973 Meeting, Richard Lugar Collection, Box 94, UIND; Hearing on Substate Regionalism Item, October 1, 1973, Richard Lugar Collection, Box 93, Folder 1, UIND; Regional Decision Making: New Strategies for Substate Districts, Vol. 1, A Commission Report, October 1, 1973, Richard Lugar Collection, Box 56, UIND.

⁴⁴ ACIR, *Categorical Grants: Their Role and Design* (Washington, DC: GPO, 1977); ACIR, *Improving Federal Grants Management* (Washington, DC: GPO, 1977); ACIR, *The Intergovernmental Grants System as Seen by Federal, State, and Local Officials* (Washington, DC: GPO, 1977); ACIR, *Safe Streets Reconsidered: The Block Grant Experience* (Washington, DC: GPO, 1977); ACIR, *The Partnership for Health Act: Lessons from a Pioneering Block Grant* (Washington, DC: GPO 1977); ACIR, *Community Development: Workings of a Federal–Local Block Grant* (Washington, DC: GPO, 1977); ACIR, *The Comprehensive Employment and Training Act: Early Readings from a Hybrid Block Grant* (Washington, DC: GPO, 1977); ACIR, *The States and Intergovernmental Aids* (Washington, DC: GPO, 1977); ACIR, *Block Grants: A Comparative Analysis* (Washington, DC: GPO, 1977); ACIR, *Federal Grants: Their Effectiveness on State–Local Expenditures, Employment Levels, Wage Rates* (Washington, DC: GPO, 1977); ACIR, *Summary and Concluding Observations* (Washington, DC: GPO, 1978).

responsibility to the federal government were increasingly ignored in Washington.⁴⁵ ACIR studies thus increasingly focused on more tractable issues, namely federal mandates on state and local governments (see Table 5.4).

Table 5.4. ACIR Policy Recommendations, 1960–1995

	<i>Total Recommendations</i>	<i>Number (%) of Recs. on Grants</i>	<i>Number (%) of Recs. on Mandates/Regulations</i>
1960–1969	40	39 (98%)	1 (2%)
1970–1979	103	101 (98%)	2 (2%)
1980–1994	50	18 (36%)	32 (64%)

Source: Author’s coding of ACIR, *Contracting with America: ACIR Recommendations, 1961–1995* (Washington, DC: GPO, 1995).

Prior to the ACIR’s research on mandates, state and local government organizations typically restricted their efforts to solving individual disputes in the courts and did not seek to oppose mandates on the whole. Cities and states had little trouble endorsing federal mandates, as long as they reaped the benefits while neighboring jurisdictions paid the costs, and especially if their direct costs were not clear at the outset.⁴⁶ Thus even if the overall pattern of federal mandating created problems for governors and mayors, taking broad political action proved difficult. During meetings of the National Governors’ Association between 1970 and 1980, there was little discussion of opposing federal regulation; discussions that did occur tended to lack focus. In 1977, for instance, Governor George Busbee (D–GA) complained that states were too often in the position of “reacting” to federal rules on Medicaid rather than “simply because no assessment has been made regarding the fiscal impact, service delivery considerations, or lead time requirements.”⁴⁷

Conservative policy entrepreneurs were also less concerned with federal mandates on states and cities as such than regulations on businesses. Even the Heritage Foundation’s landmark three -thousand page *Mandate for Leadership* (1981), which became the blueprint for much of the Reagan Administration’s regulatory policy agenda, did not specifically discuss the federal-state mandating issue.⁴⁸ Prior to the ACIR’s work

⁴⁵ Stephen Farber, “The 1982 New Federalism Negotiations: A View from the States,” *Publius* 13 (2, 1983): 33–38; ACIR, *An Agenda for American Federalism: Restoring Confidence and Competence* (Washington, DC: GPO, 1980).

⁴⁶ Edward I. Koch, “The Mandate Millstone,” *The Public Interest*, 61 (Fall, 1980), 42–57.

⁴⁷ National Governors’ Association, *Proceedings of the Winter Meeting, February 28–March 1, 1977* (Washington, DC: National Governors’ Association), 55.

⁴⁸ See, for instance, Danny Boggs, “What the President Can Do By Executive Order,” in *Mandate for leadership: Policy Management in a Conservative Administration*, ed. Charles Heatherly (Washington, DC: Heritage Foundation, 1981), 1077–1093; The mentions of federal-state regulatory relationships in *Mandate* do not discuss mandate reform, see Robert P. Hunter, “Labor,” in *Mandate for leadership: Policy*

on mandate reform, conservatives viewed “deregulation” in terms of eliminating barriers to market competition and to minimizing the effects of the “new social regulation” on firms. A scan of the major conservative outlet for debating regulation in the 1970s, *The Public Interest*, reveals little attention on intergovernmental mandates prior to the ACIR’s study. The lone full-length article criticizing intergovernmental relations between 1975 and 1979 was a book review essay on fiscal federalism.⁴⁹ By contrast, the bulk of the articles on regulation, including William Lilley and Clifford Miller’s work on the “New Social Regulation,” focused on firms.⁵⁰

By contrast, ACIR studies had by the late 1970s already begun to identify a set of policy instruments for clawing back federal impositions on state government, which came to extend beyond direct orders and full preemptions to a broader set of federal requirements on state governments.⁵¹ Rather than attacking the issue of federal mandating from a legal angle, the Commission learned about the variety of federal mandating activity as well as policy instruments for reform indirectly and iteratively. Initially, it responded to concerns about *states’* imposition of regulations on local governments, citing “growing local government resistance to state mandating of local expenditures.”⁵² In 1976, the ACIR conducted surveys of 86 state and local officials with financial support from the Department of Housing and Urban Development and respondent cooperation of the National Governors’ Association, the National Conference of State Legislatures, the National League of Cities, and the National Association of County Officials. Surveys and interviews produced information about the extent of mandates, the degree to which respondents thought they were “appropriate,” and the adverse effects of mandate costs as well as potential solutions to the problem.⁵³

This report offered a new way of thinking about federal mandates, not as a constitutional problem that could be remedied through lawsuits filed by individually injured cities and states, but as a practical challenge to *overall* policy effectiveness, and one that Congress could solve without eliminating *specific* mandates that states and cities from which states and cities reaped policy benefits.⁵⁴ Mandates had risen to the forefront

Management in a Conservative Administration, ed. Charles Heatherly (Washington, DC: Heritage Foundation, 1981), 433–460.

⁴⁹ Christopher DeMuth, “Deregulating the Cities,” *The Public Interest* 44 (Summer, 1976), 115–128

⁵⁰ William Lilley and James Clifford Miller, “The New Social Regulation,” *The Public Interest* 47 (Spring, 1977): 49–61; See also Albert Nichols and Richard Zeckhauser, “Government Comes to the Workplace: An Assessment of OSHA,” *The Public Interest* 49 (Fall, 1977): 39–69; Howard Margolis, “The Politics of Auto Emissions,” *The Public Interest* 49 (Fall, 1977): 3–21; James Q. Wilson and Patricia Rachal, “Can Government Regulate Itself?,” *The Public Interest* 46 (Winter, 1977): 3–14; Peter Navarro, “The Politics of Air Pollution,” *The Public Interest* 59 (Spring, 1980): 36–44.

⁵¹ ACIR, *State Mandating of Local Expenditures*, (Washington, DC: GPO, 1978); The ACIR is often mentioned by name as the first organization to touch on the mandate issue. See Martha Derthick, *Keeping the Compound Republic: Essays on American Federalism* (Washington, DC: Brookings Institution Press, 2001), 150–151.

⁵² *Ibid.*, iii.

⁵³ *Ibid.*, 37–47.

⁵⁴ Paul Posner, *The Politics of Unfunded Mandates: Whither Federalism?* (Washington, DC: Georgetown University Press, 1998), 164.

of attention because of “the concerns of local officials over ‘uncontrollable budgetary expenditures,’” “continued fiscal stringency for most local governments,” and the “growing tendency for the state sector to place revenue or mill rate limitations on the property tax.” Thus they were a problem not simply because of a loss of local autonomy, but because they were adopted without forethought about costs on local governments, which were experiencing fiscal strain. In the end, the Commission argued, this could arguably imperil the very functions the mandates were meant to carry out.⁵⁵ As the evidence in the next section shows, the ACIR’s work on mandates provided conservative policy entrepreneurs clear statutory models for their crusade against mandates in the 1990s.

II. Reforming Intergovernmental Relations in the Activist State

The policy issues that ACIR reports first put onto the table in the 1960s now dominated discussions of domestic policy far beyond the Commission itself. Importantly, revenue sharing and block grants had taken on lives of their own as members of Congress and the Nixon Administration undertook major “New Federalism” initiatives. As this section shows, however, the ACIR did more during this period than simply provide the germ of the idea for New Federalism. Instead, it helped to carry forward attempts to reorganize the activist state in four ways.

In the 1970s, the ACIR was central to reorganizing the activist state in two ways. First, the Commission was instrumental in holding together a coalition for the Nixon Administration’s revenue-sharing proposal in the midst of congressional opposition in the early 1970s. Second, the Commission spoke quickly and authoritatively against Nixon’s election-year proposal for a national Value Added Tax to support the financing of local school districts, leading Nixon to abandon the idea well in advance of relevant judicial decisions that might have elicited federal action.

The Commission also launched two sets of reforms that came to the fore in the 1980s and 1990s. Beginning in the early 1970s, the ACIR helped to monitor the grant-in-aid system and propose reforms that both limited the “recategorization” of block grants and improved state governments’ capacity to manage and control unwieldy categorical grants, even if a “block-grant revolution” never emerged. Both of these proposals were translated into major legislative reforms and executive orders during the early years of the Reagan Administration. In the latter half of the decade, the ACIR helped to launch major reforms to “regulatory federalism.” Whereas state and local governments had found it difficult to collectively mobilize on federal mandates outside the courts, the ACIR’s research helped to redefine federal mandates as a general policy problem that Congress and the President could solve. Its definition and measurement of the impact of mandates helped to forge a broad political coalition for reform in the 1980s and its policy ideas became central to the agenda of congressional conservatives, who were instrumental in passing the Unfunded Mandates Reform Act of 1995.

⁵⁵ ACIR, *Regulatory Federalism: Policy, Process, Impact, and Reform* (Washington, DC: GPO, 1984).

The ACIR's work at reorganizing the activist state enhanced the role of state and local governments in managing federal programs, yet by the 1980s it lacked the brokerage capacity to steer a system-wide reform of fiscal federalism. As the last section here shows, fiscal constraints and new sites of conservative policy planning outside government coalition led the Reagan Administration ignore the ACIR as a potential vehicle for negotiating a "swap" of federal and state fiscal responsibilities in the early 1980s. No longer a generative institution for conservatives, the ACIR suffered severe budget cuts throughout the decade and by the 1990s was an obvious target for retrenchment during the 104th Congress.

Building the Revenue Sharing Coalition, 1969–1972

Revenue sharing was one of the first initiatives the Nixon Administration pursued when it took office in 1969. As Chapter 4 showed, policy research at the ACIR and the advocacy of RNC task forces propelled revenue sharing to the top of the Republican agenda by revealing its potential for undermining the stability of categorical programs by mobilizing their opponents, including generalist state and local elected officials who lacked control over spending priorities and suburban electorates that saw few benefits from categorical programs targeted by urban constituencies. Indeed, after its passage in 1972, critics came to see revenue sharing as undermining the "political clout of the urban poor" and acting as "preeminently a *suburban aid* program."⁵⁶ Yet as Timothy Conlan has shown, the Nixon Administration targeted its appeals to mobilize an "active united intergovernmental lobby," making it more difficult for opponents of revenue sharing—especially electorally insecure ones—to resist its enactment.⁵⁷ Nixon abandoned the Keynesian justification for revenue sharing as an economic stimulus, borrowing instead from the ACIR's 1967 *Fiscal Balance in the American Federal System* to argue that revenue sharing should be structured in order to return power to the states by enhancing the capacity of state and locally elected officials.⁵⁸ As one Southern county official saw it, revenue sharing was like "manna from heaven."⁵⁹ Yet what Conlan's account of revenue sharing ignores is that its unified intergovernmental coalition was an unlikely one, which would not have emerged in the absence of the ACIR.

Nixon ran into steep opposition when it floated its first trial balloon for revenue sharing in 1969, a modest \$1 billion dollar package of no-strings-attached grants to state governments set to expand to \$5 billion by the mid-1970s. Members of Congress resented the lack of fiscal control over revenue-sharing grants, especially when compared to narrow categorical programs. House Appropriations Committee Chairman Wilbur Mills (D-AR) repeatedly referred to the Administration's proposal as "the most dangerous

⁵⁶ "Revenue Sharing That Works," *The New Republic* 164 (22, 1971): 8; Carl Abbott, *Urban America in the Modern Age, 1920 to the Present* (New York: John Wiley, 2006), 130.

⁵⁷ Timothy Conlan, *From New Federalism to Devolution*, 65–76.

⁵⁸ The Task Force on Intergovernmental Fiscal Relations, Report to President-Elect Richard M. Nixon, Third Draft, November 22, 1968, Richard Nathan Papers, Box 67, Hoover; Highlights of Revenue Sharing: Reform Renewal for the 1970s, Richard Lugar Collection, Box 97, UIND.

⁵⁹ Quoted in John Conyers, "The Politics of Revenue Sharing," *Journal of Urban Law* 52 (1974), 63.

program ever developed.”⁶⁰ Defenders of categorical programs, including the AFL–CIO, saw the program as an attack on the social programs they had fought so hard to win.⁶¹ On the right, the National Association of Manufacturers and the Chamber of Commerce—however instrumental in promoting block grants and revenue sharing in the 1960s—now believed Nixon should push further on cutting spending and saw the New Federalism as a weak alternative to true reform of categorical grants-in-aid.⁶²

Most importantly, however, the Administration’s proposal also divided the support of governors, who concentrated their attacks in the Senate, and mayors, who had leverage in the House. Nixon’s 1969 legislation was a \$500 million supplemental program that would expand to \$5 billion by FY 1976, received broad support from the Governor’s Conference that could push the program in the Senate. Yet the package would have given states control over virtually every dollar of revenue-sharing funds. This made it difficult for mayors to lobby on behalf of the bill in the House.⁶³ By contrast, bills by liberals in the House to concentrate revenue sharing to cities only would win little support from governors lobbying in the Senate.⁶⁴ Thus for the first two years of the Nixon Administration, revenue sharing was an idea whose time had come, but whose coalition had not.

With its domestic agenda hanging in the balance, Nixon turned to the ACIR as a venue for coordinating action among the supporters of revenue sharing. The ACIR’s members and staff considered the early years of the Nixon Administration a major disappointment.⁶⁵ Yet the Commission itself would provide the central forum in which the coalition for the New Federalism was built. Throughout 1969 and 1970, White House staff met with ACIR members to discuss how to defend against liberal and conservative critiques of the program. Among the problems discussed between the Administration and Commission members was that its upwardly distributive, population-based formula for revenue sharing alienated major urban communities—a problem that might be overcome with a more generous package. Additionally, advisors from the White House Domestic Policy Council and ACIR members consulted about how to maintain support among both state and local officials, given that each group desired the preponderance of funds.⁶⁶

⁶⁰ “Revenue Sharing,” *Congressional Quarterly Weekly Report*, June 11, 1971, 1272; Comments by Congressman Wilbur D. Mills on Revenue Sharing, January 26, 1971, Richard Lugar Collection, Box 97, UIND;

⁶¹ Statement by the AFL-CIO Executive Council on Revenue Sharing, February 15, 1971, Richard Lugar Collection, Box 108, UIND; Revenue--Sharing Rejected By Advocates' Audience, Richard Lugar Collection, Box 97, UIND.

⁶² “Revenue Sharing: Hearings, But No Action in 1971,” *Congressional Quarterly Almanac 27* (1971), 9-698-9-709.

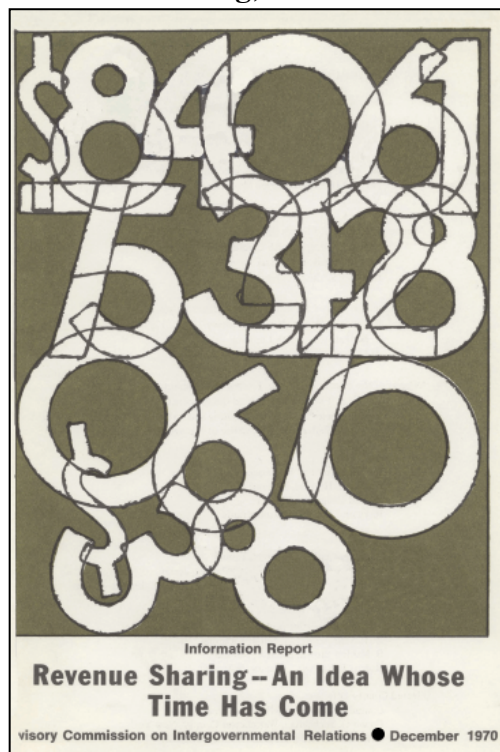
⁶³ Bruce Wallin, *From Revenue Sharing to Deficit Sharing*, 37.

⁶⁴ *Ibid.*

⁶⁵ William R. MacDougall to ACIR Members, August 21, 1970, Richard Lugar Collection, Box 97, UIND; ACIR 37th Meeting Attendance and Minutes, September 11, 1970, Richard Lugar Collection, Box 94, UIND; ACIR 36th Meeting Attendance and Minutes Item, June 12, 1970, Richard Lugar Collection, Box 94, UIND.

⁶⁶ Richard Lugar to Richard Nixon, July 11, 1969, Richard Lugar Collection, Box 97, UIND; White House Revenue Sharing Meeting Agenda, July 8, Richard Lugar Collection, Box 48, UIND; William R.

Figure 5.3 Cover Image for ACIR Report on Revenue Sharing, December 1970



Source: Box 97, Richard Lugar Papers, UIND.

To solve some of these problems, the ACIR commissioned a report endorsing a revenue-sharing program that focused on its technical benefits for cash-strapped state and local governments alike. Among other things, the report specifically defended against the critique that revenue sharing would undermine categorical aid by emphasizing how general aid to states and localities would “strengthen the instrumentalities for delivering services.”⁶⁷ By August of 1970, the report’s in-house name “Overcoming Obstacles to Revenue Sharing” was replaced with one that members felt would offer a “bright prognosis” on the reform: *Revenue Sharing: An Idea Whose Time Has Come* (see Figure 5.3).⁶⁸ Consistent with the ACIR’s earlier work, the report did not argue that revenue sharing could help to spend a federal budget surplus (indeed, there was no such surplus to spend). Rather, it pointed to the “increasing dependency” of state and local governments on federal categorical grants, which federal agencies were evermore eager to control.⁶⁹

MacDougall to ACIR Members, August 21, 1970, Richard Lugar Collection, Box 97, UIND; ACIR 37th Meeting Attendance and Minutes, September 11, 1970; ACIR 36th Meeting Attendance and Minutes Item, June 12, 1970, Richard Lugar Collection, Box 94, UIND.

⁶⁷ ACIR, *Revenue Sharing: An Idea Whose Time Has Come* (Washington, DC: GPO, 1970), 16.

⁶⁸ William R. MacDougall to ACIR Members, August 21, 1970.

⁶⁹ *Ibid.*

The ACIR's draft report also provided the basis for a December 1970 summit on revenue sharing for governors, mayors, and county officials at the annual Congress of Cities conference in Atlanta.⁷⁰ As NACO's John Brewer advised his organization's leadership, the staffs of national intergovernmental organizations worked from ACIR's proposals to develop a plan based around an automatic annual appropriation of a designated portion of federal revenues, annual distribution to the 50 states based on population, mandatory pass-throughs of funds from state to local governments, and no restrictions on the use of funds.⁷¹ At the meetings, liberals like Mayor Art Naftalin (D–Minneapolis) and Governor Nelson Rockefeller (R–NY) urged mayors and governors to come together to support revenue sharing. Neither man was a proponent of Nixon's proposals. Yet in the absence of better alternatives, each came to believe that revenue sharing could solve his problems. Arguing that cities were fiscally constrained by state laws and interlocal competition, Naftalin saw revenue sharing as a solution to the problem of fiscal incapacity. Rockefeller had supported Keynesian version of revenue sharing and reported that he,

want[ed] federal takeover of welfare more than...revenue sharing. But since it won't happen, revenue sharing is the next best thing. If we're going to get it, we need a large slice to flow directly to local governments.⁷²

Working together at the summit, governors and mayors negotiated an arrangement whereby two thirds of general revenue sharing funds would go to cities and one third to states. With a dramatically enlarged appropriation, governors and state legislators hoped that this compromise would be sufficient to gain the support of urban mayors, who had previously endorsed a state-local allocation formula based solely on population.⁷³ In turn, mayors like the ACIR's vice-chairman Richard Lugar assured governors that additional revenue sharing would allow them to take over fiscal responsibility for some state programs.⁷⁴ The officials who convened at the summit put these agreements into a more broadly phrased press release, which emphasized the importance of expanding the size of the proposal and requiring state sharing of revenues with localities according to a prescribed formula (see Figure 5.4).

Soon after the summit, the ACIR also arranged a major conference on revenue sharing, to be hosted by Mayor Richard Lugar in his home city of Indianapolis. In attendance were roughly 450 federal, state, and local officials, including the Vice

⁷⁰ John Brewer to NACO Leadership, November 10, 1970, Richard Lugar Collection, Box 97, UIND; Joint Public Interest Groups Statement On Revenue Sharing Item, December 6, 1970, Richard Lugar Collection Box 97, Folder 9, UIND.

⁷¹ Ibid.

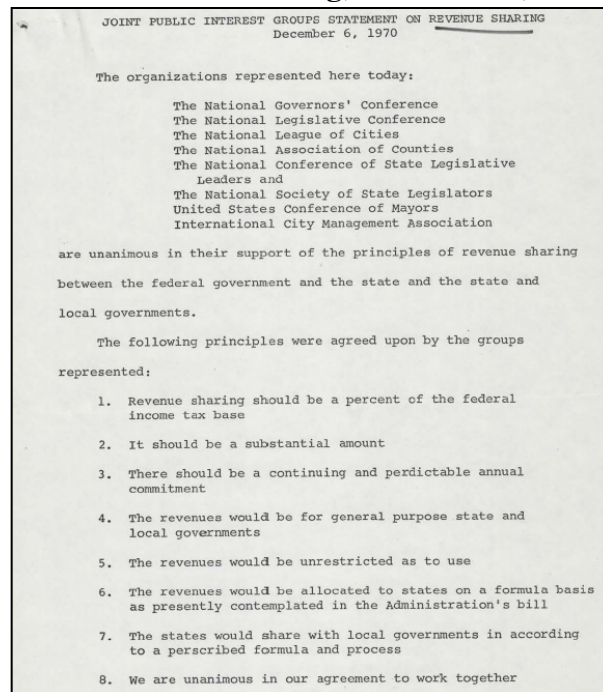
⁷² Quoted in Bruce Wallin, *From Revenue Sharing to Deficit Sharing*, 37.

⁷³ Ibid.

⁷⁴ Richard Lugar, "Excerpts from Statement to National Conference of State Legislative Leaders," November 20, 1969, Richard Lugar Collection Box 51, UIND.

President.⁷⁵ During the meetings, Lugar broke down delegates into regional groups to strategize their approach to congressional lobbying. Agnew also rallied the delegates, suggesting that “local dependency for financial aid has reached the point now where the Federal government calls the shots. And I don’t think this is right.”⁷⁶

Figure 5.4. Joint Public Interest Group Statement on Revenue Sharing, December 6, 1970



Source: Joint Press Release, December 6, 1970, Folder 9, Box 97, Richard Lugar Papers, UIND.

The next month, Nixon re-introduced a general revenue-sharing plan that included the basic tenets of the ACIR’s proposal.⁷⁷ As with its initial plan, the Administration’s allotment formula was not redistributive and was based primarily on state population, with adjustments for tax effort. Yet in accordance with the ACIR’s suggestions, the size of the Administration’s general revenue sharing proposal expanded to \$5 billion dollars.⁷⁸ Additionally, the Administration’s 1971 package included a more equitable division of

⁷⁵ Revenue Sharing Meeting Minutes, January 28, 1971, Richard Lugar Collection, Box 56, UIND; Revenue Sharing Press Committee Meeting Minutes, January 28, 1971, Richard Lugar Collection, Box 56, UIND; January 25, 1971 Revenue Sharing Conference Itinerary, Richard Lugar Collection, Box 56, UIND; Conference on Revenue Sharing Background Information, Richard Lugar Collection, Box 63, UIND.

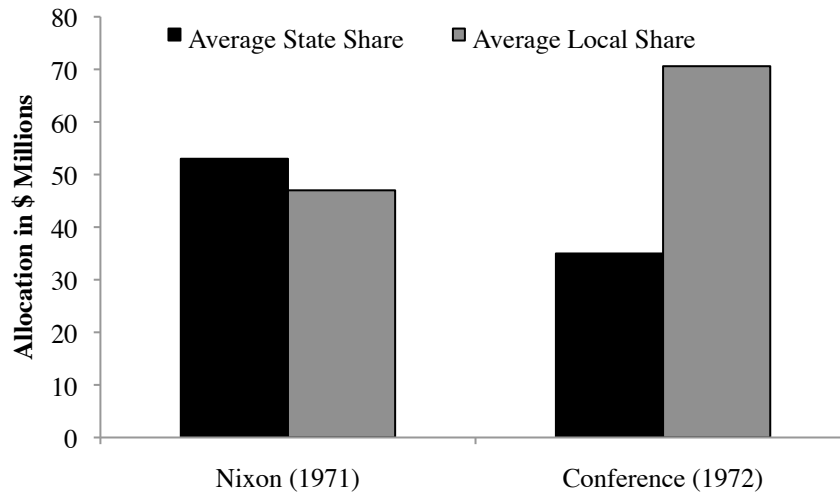
⁷⁶ “Revenue Sharing Conference Unites Delegates,” *Indiana Association of Cities and Towns Newsletter*, February, 1971, 1, Richard Lugar Collection, Box 56, UIND.

⁷⁷ “Revenue Sharing: Hearings, But No Action in 1971.”

⁷⁸ *Ibid.*

funds between state and local governments. As Figure 5.5 shows, state and local shares of revenue in the Administration's 1971 proposal were at near parity.

Figure 5.5. Comparison of State and Local Allocation in Nixon Revenue Sharing Proposal and Final Conference Version



Sources: "Revenue Sharing: Hearings, But No Action in 1971," *Congressional Quarterly Almanac* 27 (1971), 9-698-9-709; "Congress Clears Nixon's Revenue-Sharing Plan," *Congressional Quarterly Almanac* 28 (1972): 9-636-9-652.

If revenue sharing's time had come in 1971, it was because of the coalition the ACIR had helped to assemble, not universal support. Some conservative governors continued to regard it as a pariah. Georgia's Lieutenant Governor Lester Maddox, was apoplectic:

I am personally convinced that the President's revenue sharing proposal would, in many instances, do exactly opposite what he and other proponents claim.... The proponents argue, 'the President's revenue sharing proposal would reverse the trend of centralizing bureaucracy; it would restore a proper balance to our federal system.' Poppycock! Phooey!⁷⁹

Supporters of categorical programs on Capitol Hill were no more enthused. Ways and Means Committee members continued to oppose Nixon's plan. And while questioning New York City Mayor John Lindsay during a hearing in March, House Majority Leader Hale Boggs cut him off, "You don't need to make any points. Revenue sharing is dead. I'll see that it never passes. Let's get on to something else."⁸⁰ Yet mayors and governors were now prepared to take on these foes and were not likely to budge. After Boggs' outburst, New Orleans Mayor Moon Landrieu called from the back of the room,

⁷⁹ "Revenue Sharing: Hearings, But No Action in 1971."

⁸⁰ Quoted in Wayne Clark, *A History of the Advisory Commission on Intergovernmental Relations*, 87.

That's the rudest treatment I have ever witnessed, and I think you better talk about revenue sharing and you better listen. Because, Hale, if you don't start thinking about helping the cities, I want you to know you'll never be welcome in the city of New Orleans again.⁸¹

Governors, too, turned the tables on congressional opponents. Giving testimony in 1971, Rockefeller chastised Wilbur Mills for his “instant hostility” to the proposal that distorted the merits of revenue sharing—something he suggested could well turn out to be a “national tragedy.”⁸² When Congress failed to take action on revenue sharing in 1971, mayors and governors used ACIR information to develop lobbying packets for their members, which detailed the potential benefits of revenue sharing for states and cities alike.⁸³ A survey of mayors conducted at the time reported that for over half of respondents, this was their first time lobbying Congress.⁸⁴ Governors took their action even further; by the 1971, 19 states had adopted resolutions pressing for a constitutional convention on revenue sharing.⁸⁵

The ACIR's leadership was not averse to the drama of the moment. In contrast to its typically bland design for reports and studies, the cover of its report on *Federalism in 1971* released at the height of the revenue sharing debate in 1972 pictured the lower forty-eight states cracked in half by the report's subtitle, *The Crisis Continues* (see Figure 5.6). Yet by this point, the Commission had already accomplished its most important work. With a coalition of state and local officials at knocking at his door, Ways and Means chairman Wilbur Mills prioritized revenue sharing. By December, 1971, the Commission's only business on revenue sharing was to decide on a resolution commending Mills for doing so.⁸⁶

With a coalition between mayors and governors, it was no longer possible for congressional leaders to ignore revenue sharing. By April the House Ways and Means Committee reported out a revenue sharing measure, H.R. 14370. Before it endorsed revenue sharing, however, the Committee developed a new formula allocating funds that diverged from the proposals negotiated at ACIR conferences and supported by the Administration. The Committee's formula added several factors, including urbanization and per-capita income, which weighted the distribution in favor of poorer, more urbanized states. The Committee also used these factors to calculate the ratio of each state's allotment that local governments would receive, weighting the distribution in favor of local governments in states with highly urbanized populations.⁸⁷

⁸¹ Ibid.

⁸² “Revenue Sharing: Hearings, But No Action in 1971.”

⁸³ Bruce Wallin, *From Revenue Sharing to Deficit Sharing*, 42.

⁸⁴ Ibid., 43.

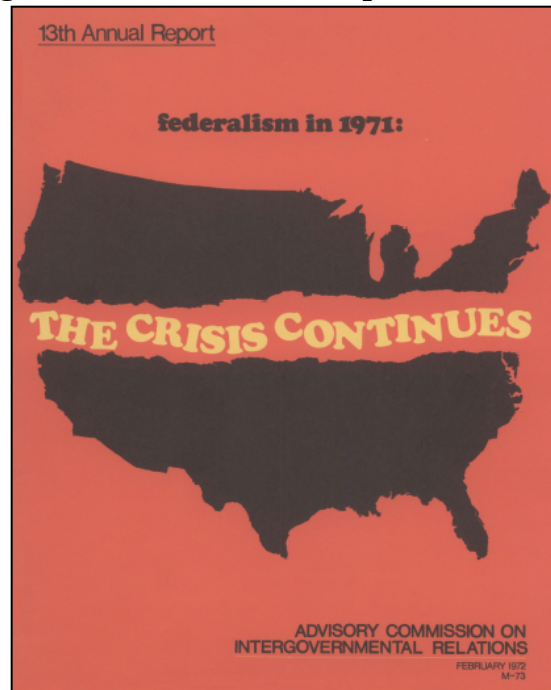
⁸⁵ “Revenue Sharing: Hearings, But No Action in 1971.”

⁸⁶ ACIR, 41st Meeting Attendance and Minutes, Dec. 17, 1971 Meeting, Richard Lugar Collection, Box 94, UIND.

⁸⁷ “Congress Clears Nixon's Revenue-Sharing Plan,” *Congressional Quarterly Almanac* 28 (1972): 9-636–9-652.

While formula changes meant that revenue sharing would enjoy an easier passage in the House, its success still depended on the anti-categorical coalition the ACIR had helped to structure. On June 21, proponents of revenue sharing pushed for the bill to be considered under a closed rule, and won on a 223–185 roll call. The results of the vote provide evidence of a broad constituency that the ACIR had been essential in building. 66 percent of House Republicans supported the measure.⁸⁸ While fiscal conservatives opposed the rule, their opposition focused on the size of the appropriation rather than the goals of the legislation. Equally importantly, 56 percent of Nonsouthern Democrats supported the measure. As Samuel Beer found, the main opposition to revenue sharing came from committee chairs attached to categorical programs. By contrast, the program mobilized rank-and-file Democrats with few ties to these programs.⁸⁹ After this vote, passage was virtually assured in the House along similar lines (275–122).⁹⁰

Figure 5.6. ACIR Annual Report Cover, 1971



Source: Advisory Commission on Intergovernmental Relations, *Federalism in 1971: The Crisis Continues* (Washington, DC: GPO, 1972).

Whereas the House version of revenue sharing made some accommodations to urban constituencies, the bill authored by the Senate Finance Committee, eventually passed by the Senate, did not. First, the Senate’s overall allocation formula mirrored the

⁸⁸ Ibid.

⁸⁹ Samuel Beer, “Adoption of General Revenue Sharing: A Case Study in Public-Sector Politics,” *Public Policy* 24 (2, 1976): 127–195.

⁹⁰ “Congress Clears Nixon’s Revenue-Sharing Plan,” *Congressional Quarterly Almanac* 28 (1972): 9-636–9-652.

Administration's bill, weighting the distribution of funds to less populous states.⁹¹ Second, like the proposal worked out by state and local officials at ACIR conferences, and unlike the House bill, the Finance Committee adopted a strict two-thirds allotment to all local governments in all states without regard to population, but with some adjustments for tax effort (see Figure 5.3). Significantly, this provision siphoned funds away from large urban governments and towards rural and suburban governments.⁹² The bill passed 64–20 over attempts by fiscal conservatives to scale back spending and Senators from urbanized states that opposed the new formula.⁹³

Under pressure from state and local governments, and the administration to resolve the differences between the two bills, House and Senate Conferees largely relied on the plan negotiated by state and local governments under the ACIR's auspices. When it came to distributing the overall allocation, conferees struck a bargain with benefits for both urban and non-urban interests alike, by allowing state governments to apply whichever of the two chambers' formulas was more generous. Yet with respect to the percentage of revenue sharing funds allotted to local governments as opposed to states, conferees abandoned the House's emphasis on urbanization and per-capita income. Rather, they adopted the Senate's somewhat less redistributive approach, which gave local governments two-thirds of state revenue sharing funds, regardless of per-capita income or urbanization.⁹⁴ Given that this alternative had already won the support of state and local governments at ACIR conferences, the conference report passed the Senate and House by comfortable margins of 40 and 155 votes, respectively.⁹⁵ Less than a month before the 1972 election, Nixon signed the State and Local Fiscal Assistance Act in front of Independence Hall and suggested that it represented a new "declaration of independence for state and local governments" and helped to fulfill the "unfinished enterprise" of the Founding.⁹⁶

Revenue sharing was an idea whose time had come, but only after the ACIR helped to secure it a diverse coalition. The most significant result of the 1972 was that it helped to break down some of the policy feedback that supported existing categorical programs. Most immediately, conservatives leveraged revenue sharing as an "important substantive and symbolic force" in favor of further decentralization and consolidation.⁹⁷ Proposals for converting categorical programs into block grants under the Nixon, Ford, and Reagan Administrations all relied on revenue sharing to keep state and local officials on board and pointed to the new program as evidence that state and local governments now had better resources to manage and finance public policies on their own.⁹⁸ As Bruce

⁹¹ Ibid.

⁹² Bruce Wallin, *From Revenue Sharing to Deficit Sharing*, 44–45.

⁹³ Ibid.

⁹⁴ See Bruce Wallin, *From Revenue Sharing to Deficit Sharing*, 45–47.

⁹⁵ Ibid.

⁹⁶ Richard Nixon, "Statement About the General Revenue Sharing Bill," October 20, 1972, available: <http://www.presidency.ucsb.edu/ws/?pid=3636>, accessed January 10, 2015.

⁹⁷ Leonard Robins, "The Plot That Succeeded: The New Federalism as Policy Realignment," *Presidential Studies Quarterly* 10(1, 1986): 99–106.

⁹⁸ Bruce Wallin, *From Revenue Sharing to Deficit Sharing*, 120–129.

Wallin shows, the Reagan Administration also relied on the policy image of state and local “self sufficiency” to justify further cuts to intergovernmental programs.⁹⁹ By 1992, the General Accounting Office found that, state and local governments had taken on “an increasing share of the responsibility for financing this country’s domestic expenditure” whereas intergovernmental revenues had declined to 16 percent, where they were in 1966 from a peak of 22 percent in 1978.¹⁰⁰

Nevertheless, state and local officials did not succeed in developing a strong structure for supporting revenue sharing itself. The program’s design, as Bruce Wallin notes, made it difficult for state and local officials to develop ties to congressional committees to push for the preservation of the program in the 1980s, leaving the program open to retrenchment threats. Since it allowed some state and local governments to balance their budgets, revenue sharing also provided fodder for fiscal conservatives that the program had “done its job” and could be ended without serious damage. By 1986, congressional majorities voted to end the program.¹⁰¹

Framing School Financing Reform: The Short, Unhappy Life of the VAT, 1970–1973

While the ACIR provided crucial support for the Nixon Administration’s revenue sharing initiative, it actively forestalled an administration attempt to enhance the federal government’s capacity to finance local public education systems. In the early 1970s, as Gareth Davies and Patrick McGuinn have argued, education policy was becoming an increasing priority for the “activist” American state, marked by increasing federal attention to issues of standards and quality, as well as civil rights concerns about substantively equal education.¹⁰² Yet there was one area in which education policy was, and still remains, highly fragmented: school finance. In 1970, however, a window of opportunity opened for enhancing federal involvement in school finance, as the result of increasing pressures from educators, mayors, and civil-rights leaders who found local tax bases increasingly inadequate to finance growing public demand for elementary and secondary education.¹⁰³ To respond to these concerns, Nixon created the President’s Commission on School Finance (PCSF), which, similar to the ACIR, brought together stakeholders from local, state, and federal governments, as well as the private and religious education sector together to examine and propose solutions to eighteen issues of local fiscal capacity for education.¹⁰⁴

⁹⁹ Ibid.

¹⁰⁰ General Accounting Office, *Intergovernmental Relations: Changing Patterns in State-Local Finances* (Washington, DC: GPO, 1992), 3.

¹⁰¹ Ibid.

¹⁰² Gareth Davies and Patrick McGuinn, “Freedom From Ignorance?: The Great Society and the Evolution of the Elementary and Secondary Education Act of 1965,” *The Great Society and the High Tide of Liberalism*, eds. Sidney Milkis and Jerome Mileur (Amherst, MA: University of Massachusetts Press, 2005), 289–319.

¹⁰³ Monoka Venters, Meghan V. Hauptli, and Lora Cohen-Vogel, “Federal Solutions to School Fiscal Crises: Lessons from Nixon’s Failed National Sales Tax for Education,” *Educational Policy* 26 (1, 2012): 35–57.

¹⁰⁴ President’s Commission on School Finance, *Schools, People, and Money* (Washington, DC: GPO, 1972).

As the PCSF assembled and debated its report, the issue of local school finance came under increasing judicial scrutiny. In 1971, the California State Supreme Court's decision in *Serrano v. Priest* invalidated the state's local financing system for education under both the Fourteenth Amendment's equal protection clause and the California Constitution and required the state to develop a new approach to school financing that equalized funds across districts.¹⁰⁵ A similar decision in Texas' high court had by 1972 become the subject of a Supreme Court case, *San Antonio Independent School District v. Rodriguez*.¹⁰⁶ Amidst these ongoing legal skirmishes, the PCSF deferred making specific recommendations about how the federal government should respond. Instead, its final report in March of 1972 simply cited the principles contained in the *Serrano* decision and urged states to fully fund local educational systems and made a bland assertion of "continuing federal interest" in education.¹⁰⁷

Observers on the right and left alike found the PCSF's conclusions deeply unsatisfying. The *Washington Post* called it "vacuous," a "profound disappointment" that disregarded the "hard and explicit questions" that Nixon had asked it to examine and suggested that, "where it attempts any answers at all, they amount to saying: Gee there ought to be some way to work out a proposal."¹⁰⁸ Roger Freeman, now a Nixon advisor and consultant for the PCSF, suggested in the *Wall Street Journal* that there was "no adequate justification for abandoning the long-established state-local partnership in school finance which has enabled the schools to increase revenues by 758% since 1950 while enrollment grew only 91%."¹⁰⁹

Having been briefed in advance on the PCSF's unsatisfying recommendations, Nixon devised another plan. In his 1972 State of the Union speech, Nixon announced that he had asked the ACIR "to review our proposals for Federal action to cope with the gathering crisis of school finance and property taxes" which he would use to make his final recommendations on the issue.¹¹⁰ Yet whereas Nixon's directions to the PCSF had been vague, he gave the ACIR a more specific mandate—to study the possibility of a national sales tax to substitute for local property taxes.¹¹¹ The ACIR was the obvious choice for the study; when Nixon had first discussed a value-added tax (VAT) during a 1970 meeting in Key Biscayne, Florida, it was not in the context of school finance but

¹⁰⁵ David L. Kirp, "Law, Politics, and Equal Educational Opportunity: The Limits of Judicial Involvement," *Harvard Educational Review* 47 (2, 1977): 117–137.

¹⁰⁶ Paul A. Sracic, *San Antonio v. Rodriguez and the Pursuit of Equal Education: The Debate Over Discrimination and School Funding* (Lawrence, KS: University Press of Kansas, 2006).

¹⁰⁷ Andrew Barnes, "Who is Going to Pay for Equal Education?," *Washington Post*, April 2, 1972, B4; John Pierson, "Nixon's Bid to Ease Property Tax Burden Raises Some Potentially Divisive Issues," *Wall Street Journal*, December 3, 1971, 5.

¹⁰⁸ "Not Much Help on School Financing," *Washington Post*, March 11, 1972, A16.

¹⁰⁹ Roger Freeman, "Should States Finance the Schools?," *Wall Street Journal*, March 31, 1972, 4.

¹¹⁰ Richard Nixon, "Address on the State of the Union Delivered Before a Joint Session of the Congress," January 20, 1972, available, <http://www.presidency.ucsb.edu/ws/?pid=3396>, accessed January 10, 2015.

¹¹¹ ACIR 42nd Meeting Minutes, February 10, 1972 Meeting, Richard Lugar Collection, Box 94, UIND.

other policy proposals initially worked out by the ACIR itself.¹¹² In particular, Nixon had introduced the VAT as a way to raise \$30 billion dollars a year, which could be distributed to states and cities as block grants and to eliminate several federal agencies in the process. Now, especially in the event that the Supreme Court agreed with *Serrano*'s reasoning, he desperately needed the ACIR's help to vet the VAT as the ideal solution to the problem with members of Congress as well as, and quite importantly, state and local officials. To signal the priority of the study, Nixon placed two cabinet secretaries and the Vice President at the Commission's disposal.¹¹³

As the Commission began work on the report in 1972, however, Nixon's proposal met with trouble. First, governors on the Commission used their new policy planning capacity to strategize against a potential ACIR endorsement of the VAT. While the Commission's study had no clear timetable, governors knew about Nixon's intense interest in the VAT and the importance of rapid action to set the agenda. In January, not long after Nixon's request, the Governor's Conference new committee on Executive Management and Fiscal Affairs—headed by Arch Moore (D-WV) and Calvin Rampton (D-UT)—put together a special task force to study the VAT and to make its own recommendations to the ACIR prior to the staff's release of its first interim report in May.¹¹⁴ At the Conference's winter meeting, Rampton and Moore argued—to wide agreement—that governors should publicly oppose VAT, not simply on the grounds that it represented a federal preemption of state tax sources, which the ACIR had always argued *against*, but because there was no necessary or logical relationship between educational financing and the value-added tax, except that it took money to finance education and the VAT might be one source of getting it and that ensuring educational equality was a matter for states, not the federal government, to deal with.¹¹⁵

Vice President Agnew urged the Conference not to jump the gun on the ACIR, which the President appointed to study the matter because of its past research and reputation, which “eminently qualifies it to make the study.”¹¹⁶ Additionally, Agnew suggested, governors should not rule out the possibility of a new source of revenue collected by the federal government but used by the states. Yet at this suggestion, Ronald Reagan—by now a member of the ACIR—pounced on him suggesting that revenue sharing rather than the VAT represented the best way forward. As Reagan put it, “with the excessive amount of the tax dollar that is going to the federal government and until they start sharing it with us, we don't have any leeway any more to raise local or State taxes.” Continuing, he suggested that revenue sharing, not VAT, would allow the Administration to “wind down the size of the federal government” since states can “do

¹¹² Monoka Venters, Meghan V. Hauptli, and Lora Cohen-Vogel, “Federal Solutions to School Fiscal Crises Lessons from Nixon's Failed National Sales Tax for Education”; *The Value Added Tax--Its Potentialities and Intergovernmental Implications*, Richard Lugar Collection, Box 93, UIND.

¹¹³ *Ibid.*

¹¹⁴ National Governors' Conference, *Proceedings of the 1972 Winter Meeting of the National Governors' Conference*, Washington, DC, February 24, 1979, 44–89.

¹¹⁵ *Ibid.*

¹¹⁶ *Ibid.*, 65.

the job better and cheaper, and with the money they give us—we will have some left to throw away!”¹¹⁷

By the time the ACIR had drafted its report, the governors’ task force had decided to take strategic approach to opposing the VAT. Rather than simply stating their opposition, they urged the Administration to answer four questions about the effects of adopting the VAT. First, how would the VAT affect states’ access to revenue sources? Second, how would it affect state and local governments’ capacity to raise taxes in the future? Third, how would VAT compete with existing state sales taxes? Fourth, how would the VAT affect the progressivity of federal taxation?¹¹⁸ These questions became the core of the ACIR’s study, and the Commission’s answers undermined Nixon’s proposal.

Second, besides governors, commission members like Rep. L.H. Fountain (D–NC) questioned whether the President’s request even merited discussion given the ACIR’s prior policy positions, which urged that states assume full responsibility for financing local public education.¹¹⁹ At Fountain’s suggestion, the ACIR planned its study deliberately *not* to consider the effects of implementing a VAT.¹²⁰ Rather, the Commission tasked researchers with examining the adequacy of existing state mechanisms for alleviating local property tax disparities.¹²¹ Fountain also pushed the Commission to appoint a special advisory group—made up of predominantly Republican state and local officials—who would sit with the commission to influence the course VAT study, though they lacked voting privileges.¹²²

As of April, Commission researchers were already beginning to show signs of doubt about the VAT. When questioned by a House subcommittee in April, staff researcher Will Myers reported that the federal government could use instruments other than the VAT to induce full state funding of public education. For instance, it could provide a tax credit or incentive grant or by offering “special assistance to those states willing to take on this responsibility.”¹²³ Yet, the research Myers and his colleagues were in the process of conducting did not directly consider the potential outcomes of implementing a VAT. Instead, a majority of Commission members directed staff analysts to shape their analysis around two first principles about federal intervention that the final report suggested were those of “traditional federalists” who favored restraint in national intervention. To exercise restraint required an “irreconcilable conflict test,” one rigorous enough to “screen out all but the most persuasive plans for new Federal initiatives in areas of traditional State-local concern” and to avoid the temptation to “hurry history

¹¹⁷ *Ibid.*, 85.

¹¹⁸ National Governors’ Conference, Annual meeting 1972, 96.

¹¹⁹ ACIR 42nd Meeting Minutes, February 10, 1972, Richard Lugar Collection, Box 94, UIND.

¹²⁰ *Ibid.*

¹²¹ William R. MacDougall to Members of ACIR, June 28, 1972, Richard Lugar Collection, Box 56, UIND.

¹²² *Ibid.*; ACIR 42nd Meeting Minutes, February 10, 1972; Commission Names Eight Special Advisors for Value-Added Tax Study, Richard Lugar Collection, Box 98, UIND.

¹²³ “Public Education Finance,” *Congressional Quarterly Almanac* 28 (1972): 3-818–3-819.

along.”¹²⁴ The Commission’s test had two prongs, which suggested that federal intervention was only advisable when:

- The [local] problem that precipitated the demand for Federal intervention stems from a head-on conflict—a serious undercutting of a major Federal program objective by policies of most States.
- The intergovernmental conflict can be resolved only by Federal government action.¹²⁵

The first prong of the test, establishing a national interest injured by the states, proved no trouble for the VAT. Analysis of fiscal trends, for instance, posited that slow growth in the property tax, as compared to other sources of state revenue—including sales and income taxes as well as federal grants—disproportionately and adversely affected school districts.¹²⁶ Whereas state governments only depended on property taxes for two percent of annual revenues in 1972, school districts depended on them for 98 percent.¹²⁷ The demand for revenues had also forced property taxes to grow at a faster rate than average property values or household incomes. Similarly, public-opinion surveys only revealed widespread dissatisfaction with the property tax and no specific opposition to the VAT. 45 percent of survey respondents reported that the local property tax was the “least fair.”¹²⁸ Of the 46 percent of respondents that believed the federal government should raise revenues to replace the local property tax, 69 percent preferred the VAT to the income tax.¹²⁹

Yet the second prong proved to be a guillotine. First, under the direction of Commission members, research staff showed that few states would have to pay significant costs to “level up” per-pupil expenditures on their own. Erasing the potential political challenges to leveling up, the Commission drew on earlier ACIR work to create an “intermediate capacity test,” calculating the amount of revenue a state could generate if it made a tax effort at the midpoint between the highest tax-effort state (New York) and the highest tax effort state in its region. By combining this figure with the amount of funds states would receive from general revenue sharing, the study’s authors estimated that 32 states were at least “in good shape” to raise local education revenues, meaning that they only had to use less than twenty percent of their untapped tax capacity to boost per-pupil expenditures to the 80th percentile (see Figure 5.7). By contrast, only 7 states—including New York, Arizona, and Massachusetts—were “pinched” or “in poor shape.”

Second, the ACIR argued that states were making “good progress” towards the goal

¹²⁴ ACIR 44th Meeting Minutes, September 14-15, 1972, Richard Lugar Collection, Box 94, UIND; Proposed Policy Recommendations on School Finance, Property Tax Relief and the Value Added Tax Item, Richard Lugar Collection, Box 94, UIND.

¹²⁵ Proposed Policy Recommendations on School Finance, Property Tax Relief and the Value Added Tax, ACIR Minutes, September 14–15, 1972, Richard Lugar Collection, Box 94, UIND.

¹²⁶ ACIR, Financing Schools and Property Tax Relief: A State Responsibility, 15–30.

¹²⁷ *Ibid.*, 18.

¹²⁸ *Ibid.*, 26.

¹²⁹ *Ibid.*, 28.

of financing local public schools. Pointing to other published studies, the Commission suggested that the “long run progress of the States in reducing the range of expenditures shows a narrowing gap in spending on children in the high-spending districts.”¹³⁰ The centralization of school administration stood to promote further cost savings, and even in the event of persistent disparities states and local governments could draw on other remedies, such as professionalizing property-tax assessment and reclassifying property taxes.

Finally, the Commission argued that it would be “extremely difficult to develop a Federal program capable of distributing residential property tax relief equitably across the Nation.”¹³¹ Because of variations in pre-existing state tax regimes, a standard formula for calculating the tax could lead to “unequal windfalls both between jurisdictions and among classes of property owners within the same jurisdiction.”¹³² The Commission made no attempt to test whether or not this was true beyond the single case study and hypothetical examination it gave. Yet that hardly mattered. Given that alternatives existed and since implementation of the VAT would place Congress under “considerable pressure to exercise unprecedented control over both State and local tax policymakers,” the Commission reasoned that a VAT merited little further analysis.¹³³

Figure 5.7. Detail from ACIR Study on Financing Local Public Education

A Ranking of States on the Basis of Leveling-Up Costs (to the 80th percentile) as Percentages of Untapped Revenue Capacity¹		
Well Off—1 State	In Good Shape—17 States	Somewhat Pinched—9 States
Nevada (0.8)	West Virginia (10.2)	South Dakota (21.9)
Moderately Well Off—14 States	South Carolina (10.5)	Maine (22.4)
Alabama (5.6)	Utah (10.8)	Washington (22.9)
Delaware (5.7)	Georgia (11.0)	Pennsylvania (23.8)
Kansas (6.3)	New Mexico (11.0)	Colorado (26.1)
Louisiana (6.3)	Ohio (11.1)	Virginia (26.3)
Maryland (6.3)	Oregon (11.3)	California (27.1)
Mississippi (6.3)	Missouri (12.7)	North Dakota (27.5)
Oklahoma (6.3)	Tennessee (13.3)	Rhode Island (27.8)
Arkansas (6.4)	Iowa (13.7)	Pinched—4 States
New Hampshire (6.5)	Michigan (14.0)	Minnesota (37.6)
Texas (6.7)	Kentucky (14.4)	Montana (38.8)
Nebraska (8.0)	New Jersey (14.4)	Arizona (41.7)
North Carolina (8.6)	Wyoming (17.5)	Massachusetts (44.1)
Florida (9.0)	Illinois (18.0)	In Poor Shape—3 States
Indiana (9.9)	Connecticut (18.8)	Wisconsin (71.2)
	Idaho (19.2)	Vermont (110.4)
		New York (174.0)

Source: ACIR, Financing Schools and Property Tax Relief: A State Responsibility (Washington, DC: GPO, 1972), 121.

¹³⁰ Ibid., 130.

¹³¹ Ibid., 5.

¹³² Ibid.

¹³³ Ibid., 127.

In September, two months prior to the 1972 presidential election, and weeks before the Supreme Court even heard oral arguments in its first school-financing case, a member of the Commission leaked its final report, which wound up on the front page of the *Washington Post*, which read that the ACIR had “warned that there are serious complications in President Nixon’s campaign promise to provide relief from local property taxes nationwide.”¹³⁴ The day after the leak, the Commission met with the Vice President, who was taken aback by the news.¹³⁵ Throughout the last leg of the 1972 presidential campaign, Nixon publicly abandoned the VAT and instead repeatedly cited by name the ACIR’s finding that property taxes were unfair, and suggested that the status quo was “fiscally wrong, morally wrong, and certainly tax wrong.”¹³⁶ Journalists and columnists quickly leapt on the findings. Citing the ACIR’s “damning indictment,” the *Wall Street Journal*’s Allen Otten put it colorfully: “in a year of polarized political positions, one issue is winning virtually universal agreement: something must be done to ease the property tax load. Not even God, flag, or mother gains greater unanimity.”¹³⁷ Yet if there was “public outcry” about property taxes, as the *Washington Post* put it, the Commission’s draft had come down firm that there was nothing the federal government could do about it.

Prior to publishing the final version of the report, conservatives on the Commission, led by Harvard political scientist Edward Banfield and Rep L.H. Fountain (D–NC), also succeeded in removing sentences from the report which “would have promoted State action by means of a Federal grant program” and urged states to undertake studies of the effects of fiscal equalization.¹³⁸ Attempting to salvage the possibility of federal assistance for local property taxes, Governor Richard Kneip (D–SC) proposed that the Commission’s final report suggest that “there is a need for a new source of federal revenue...although this source need not be the value-added tax.” Yet his motion was summarily rejected by a voice vote.¹³⁹

The Commission itself further emphasized this point in the study’s packaging. When the final version was released in January of 1973, its cover bore the title *Financing Schools and Property Tax Relief—A State Responsibility*. Despite dissents from two of the Commission’s Senators, Edmund Muskie (D–ME) and Charles Percy (R–IL), the VAT proposal was dead, and a majority of the ACIR’s membership had pulled the trigger.¹⁴⁰ Regardless of the Supreme Court’s decision in *San Antonio*, issued three

¹³⁴ Peter Milius, “Property Tax Cut Difficult: Nationwide Property Tax Relief Difficult, Federal Panel Says,” *Washington Post*, September 14, 1972, A1.

¹³⁵ ACIR 44th Meeting Attendance and Minutes, September 14–15, 1972.

¹³⁶ Monoka Venters, Meghan V. Hauptli, and Lora Cohen-Vogel, “Federal Solutions to School Fiscal Crises Lessons from Nixon’s Failed National Sales Tax for Education.”

¹³⁷ Alan Otten, “Politics and People: Least-Liked Tax,” *Wall Street Journal* September 21, 1972, 20.

¹³⁸ ACIR 45th Meeting Minutes, December 14–15, 1972, Richard Lugar Collection, Box 94, UIND; On Banfield’s political leanings with respect to federalism, see Kimberly Hendrickson, “Edward Banfield on the Promise of Politics and the Limits of Federalism.” *Publius: The Journal of Federalism* 34 (4, 2004): 139–152 and James Q. Wilson, “The Independent Mind of Edward Banfield,” *The Public Interest* 150 (Winter, 2003): 63–90.

¹³⁹ *Ibid.*, 15–16.

¹⁴⁰ ACIR, *Financing Schools and Property Tax Relief*, 6–7.

months later, federal intervention in the politics of local school finance was effectively off the table.¹⁴¹

Reorganizing the Grant-in-Aid System: The Politics of Policy Alternatives, 1969–1982

The ACIR's relationship to the New Federalism was not limited to building legislative coalitions for new reforms or reframing policy debates. Though it had put the idea of block grants on the table in the 1960s and kept them in the spotlight as a policy solution, the Commission was not directly involved in the advancement of new block-grant programs during the 1970s, such as the Comprehensive Employment and Training Act (CETA), enacted in 1973, or the Community Development Block Grant (CDBG), passed in 1974.¹⁴² Nor did it become involved in the Nixon and Ford Administrations' failed attempts to block grant the core of the Elementary and Secondary Education Act.¹⁴³ By this point, the block grant idea had diffused to a much wider network of advocates than the ACIR itself. Rather, the Commission worked in three ways to promote policy alternatives that conservatives used to strengthen the hand of state and local elected officials to control and restrict the use of federal grant money.

Improving Block Grants. First, the Commission had accumulated knowledge on how block grant goals went awry through its surveys of state officials and scans of the policy environment for individual grant programs. In these studies, the ACIR identified a pattern of *recategorization*, in which members of Congress and activist groups who opposed block grants maneuvered around them by gradually reintroducing earmarks in reauthorization legislation.¹⁴⁴ In the case of Safe Streets, the ACIR applied pressure during each reauthorization battle to limit the extent of reauthorization and to minimize the Law Enforcement Assistance Agency's control over State Planning Agencies.¹⁴⁵ While it kept attempts to reverse the initial block grant decision outright, the Commission could not fundamentally alter Congress's taste for increasing categorization, a point the ACIR dramatically illustrated with visual aids (see Figure 5.8). Similarly, the ACIR's 1977 review of CETA suggested that the consolidation of 17 categorical grants was a start, but "did little to curb the historic fragmentation of federal manpower programs."¹⁴⁶ Moreover, while elected officials played a larger role in CETA, "their lack of prior

¹⁴¹ ACIR 45th Meeting Minutes, December 14-15, 1972, Richard Lugar Collection, Box 94, UIND; Docket Book: 45th Meeting, Richard Lugar Collection, Box 94, UIND.

¹⁴² Timothy J. Conlan, "The Politics of Federal Block Grants: From Nixon to Reagan," *Political Science Quarterly* 99 (2, 1984): 247–270.

¹⁴³ There exists no extensive pre-legislative discussion of these programs in the papers of the Commission's leadership. See for example ACIR 46th Meeting Minutes, March 8-9, 1973, Richard Lugar Collection, Box 94, UIND; ACIR 47th Meeting Minutes, Items 1 and 2, June 21-23, 1973, Richard Lugar Collection, Box 94, UIND; ACIR 48th Meeting Minutes, Richard Lugar Collection, Box 98, UIND.

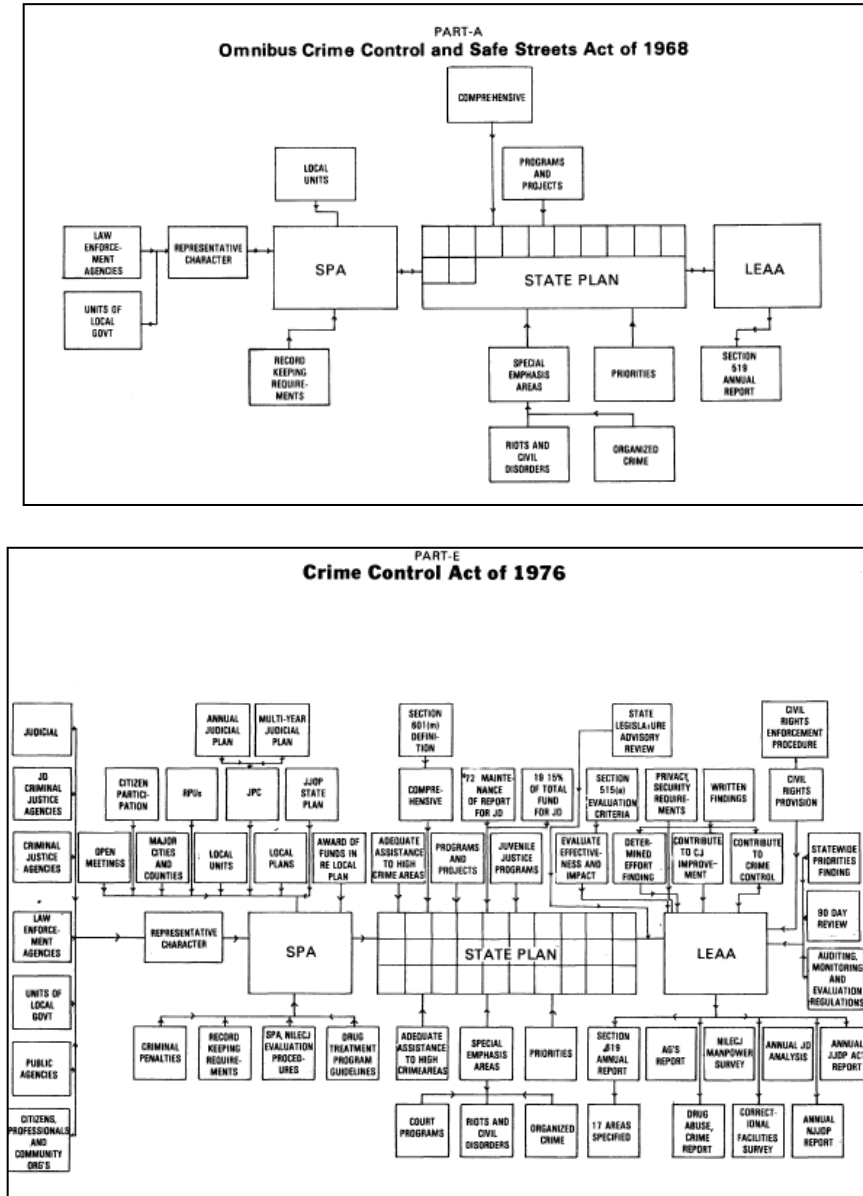
¹⁴⁴ ACIR, *The Intergovernmental Grant System: An Assessment and Proposed Policies: Summary and Concluding Observations*.

¹⁴⁵ *Making the Safe Streets Act Work: An Intergovernmental Challenge*, ACIR - Commission Report 9/1970, Richard Lugar Collection, Box 94, UIND; *ACIR Safe Streets Act Recommendations*, Commission Report 9/1970, Box 94, Lugar Collection, UIND

¹⁴⁶ ACIR, *The Comprehensive Employment and Training Act*, 56.

experience...led them to move cautiously and to rely on existing programs and service deliverers.”¹⁴⁷

Figure 5.8. ACIR Visual Analysis of Safe Streets Act Administration



Source: ACIR, *Block Grants: A Comparative Perspective* (Washington, DC: GPO, 1977), 22, 25.

The ACIR compiled its studies of individual programs into a comprehensive 1977 report entitled *Block Grants: A Comparative Perspective*, which recommended the use of block grants as the “preferred instrument to provide federal financial assistance to state

¹⁴⁷ Ibid., 63.

and local governments.” Yet the Commission now claimed that a “pure” block grant did not exist—all were hybrids because of de facto recategorization. To avoid recategorization, the Commission now suggested that future block grants include no earmarks and minimal paperwork or audit requirements. They should also be authorized for longer than typical categorical grants, so that recipients would have sufficient time to “make the transition from categorical to block grant decision-making and develop a solid record before reauthorization.”¹⁴⁸ Finally, grant programs should provide technical assistance to state and local elected officials to allow them to gain the necessary skills to manage the program, as opposed to relying on program specialists.

By the spring of 1981, the cover story in the ACIR’s *Intergovernmental Perspective* heralded the Reagan presidency and, more importantly, a Republican-controlled Senate as “positive signs” for improvements to block-grant programs.¹⁴⁹ The Administration paid careful attention to the ACIR’s block-grant recommendations and began to formulate a proposal for consolidating more programs at the same time than had ever been attempted before.¹⁵⁰ In February, the Reagan Administration proposed seven block grants to consolidate 88 categorical programs and by August, it would succeed in rolling proposals for 9 block grants into the Omnibus Budget and Reconciliation Act (OBRA), four in health, three for social services, one for education, and one for community development.¹⁵¹ While only 60 of these programs were finally consolidated in OBRA, the new proposals now resembled ACIR’s proposals for “pure” block grants.

**Table 5.5. ACIR Recommendations
Included in the Omnibus Budget Reconciliation Act, 1981**

Feature	Inclusion in 1981 Block Grants
No Earmarks	<u>3 Programs:</u> Community Development, Maternal and Child Health, LIHEAP
No Compliance Measures	<u>4 Programs:</u> LIHEAP, Preventive Health, ADAMH, Community Services
No General Procedural Requirements	<u>5 Programs:</u> Community Development, Maternal and Child Health, Education, LIHEAP, Social Services
Minimum Three-Year	<u>7 Programs:</u> Maternal and Child Health, Primary Care, LIHEAP, Preventive Health, ADAMH, Community Services, Social Services

¹⁴⁸ ACIR, Block Grants: A Comparative Perspective, 45.

¹⁴⁹ Timothy J. Conlan, “Back in Vogue: The Politics of Block Grant Legislation,” *Intergovernmental Perspective* 7 (2, 1981): 8.

¹⁵⁰ Wayne Clark, *A History of the Advisory Commission on Intergovernmental Relations*, 129–131; Timothy J. Conlan, “Federalism and Competing Values in the Reagan Administration,” *Publius: The Journal of Federalism* 16 (1, 1986), 31.

¹⁵¹ Timothy J. Conlan, “Federalism and Competing Values in the Reagan Administration,” 31.

Authorization

Technical Assistance to Elected Officials	<u>8 Programs:</u> Community Development, Education, Maternal and Child Health, Primary Care, Preventive Health, ADAMH, Community Services, Social Services
--	---

Note: ADAMH is the Alcohol, Drug Abuse and Mental Health, LIHEAP is the Low-Income Home Energy Assistance Program.

Source: Author's coding of P.L. 97-35.

As Table 5.5 shows, all but two of the Reagan block grants included minimum three-year authorizations, and all but one provided for technical assistance to state and local elected officials. Perhaps more importantly, only four programs contained general procedural requirements on states. The ACIR's *Intergovernmental Perspective* concluded after OBRA's passage, "the absence of strings" gave these reforms the flavor of revenue sharing rather than pre-existing block grants. In short, when it came to the design of block grant programs, the ACIR's evaluations had provided the template for "Reagan Federalism" by monitoring block grants and redefining "best practices" for policy design to incorporate states' complaints of a drift towards recategorization.

Administrative Reforms in Categorical Programs. Though categorical grants remained the dominant form of intergovernmental aid during the 1970s and 1980s, the ACIR also worked to promote and implement reforms to these programs that enhanced the leverage of state and local elected officials over specialist program constituencies. In particular, this meant monitoring the performance of OMB Circular A-95, which the Nixon Administration issued in 1969 pursuant to the Intergovernmental Cooperation Act passed in the previous year.¹⁵² At the outset, A-95's purpose had been to gradually transform the regime of categorical aid, which empowered advocacy groups and state and local bureaucrats to develop federal projects at the expense of elected officials, whose policy expertise was by weaker by comparison. It did so by establishing a Project Review and Notification System (PNRS) and regional clearinghouses designated by governors and other elected officials to review applications for federal grants-in-aid submitted by state and local agencies. If elected officials objected to grant applications within 30 days, they could ostensibly hold up applications until they were satisfied. Thus if fully implemented, A-95 promised to be a powerful tool for elected officials to gain control of federal programs, even if block grants and revenue sharing did not prevail.¹⁵³

Not only was the ACIR the primary source of inspiration for A-95, it was now an ardent defender of expanding the Circular's reach. The ACIR's interest in A-95 long preceded that of other agencies. By 1970, the Commission led the way in planning a five-

¹⁵² ACIR 37th Meeting Attendance and Minutes, September 11, 1970, Box 94, UIND.

¹⁵³ ACIR, *Regional Decision Making, New Strategies for Substate Districts* (Washington, DC: GPO, 1973), 139-156

volume report of the process, and sought the partnership of the OMB in doing so.¹⁵⁴ Solo-authored studies of A-95 by OMB, the General Accounting Office, and other federal departments did not emerge until 1975.¹⁵⁵ From many ACIR members' point of view, the results of the initial study—based in part on a survey of 253 state and regional clearinghouses—were troubling.¹⁵⁶ The survey revealed that clearinghouses tended to “rubber stamp” applications.¹⁵⁷ Reviews that did occur tended to be perfunctory. And OMB and the states lacked the proper kinds of incentives to punish agencies that failed to submit programs for review. Most importantly, too few grant programs were covered for A-95 to be consequential.¹⁵⁸ Initially, A-95's Project Notification and Review System (PNRS) applied to 51 of the roughly 349 categorical grant programs in existence, around 15 percent (see Table 5.6).

Table 5.6. Categorical Programs Covered by A-95, 1969–1978

	1969	1975	1978
Number (%) of Programs Covered by A-95	51 (15%)	138 (31%)	295 (52%)
Total Categorical Programs	349	442	492

Sources: Collated by author from Jerome M. Stam, *Coordinating Federal Programs: the Case of Office of Management and Budget Circular A-95* (Washington, DC: GPO, 1980), *Advisory Commission on Intergovernmental Relations, Categorical Grants: Their Role and Design* (Washington, DC: GPO, 1977).

This first evaluation, which OMB cited repeatedly in its updates during the 1970s, allowed the agency to revise its approach to implementing A-95 in three ways.¹⁵⁹ First, OMB helped states to set up new clearinghouses, leading to a doubling in the number of these institutions by 1977.¹⁶⁰ Second, between 1969 and 1977, OMB increased the percent of programs dramatically. Between 1975 and 1978, OMB increased A-95's coverage by 21 percent, to 259 grant programs (see Table 5.6). Third, OMB improved its monitoring of federal agencies' compliance with A-95, and now required agencies to notify clearinghouses whenever applications originating in their state were approved.¹⁶¹

Despite the expansion of coverage, ACIR studies continued to highlight other

¹⁵⁴ ACIR, 39th Meeting Attendance and Minutes, May 21, 1971, Richard Lugar Collection, Box 94, UIND.

¹⁵⁵ Jerome M. Stam, *Coordinating Federal Programs: the Case of Office of Management and Budget Circular A-95* (Washington, DC: GPO, 1980), 17–21.

¹⁵⁶ ACIR 46th Meeting Minutes, March 8-9, 1973, Richard Lugar Collection, Box 94, UIND.

¹⁵⁷ ACIR, *Regional Decision Making, New Strategies for Substate Districts*, 318.

¹⁵⁸ *Ibid.*

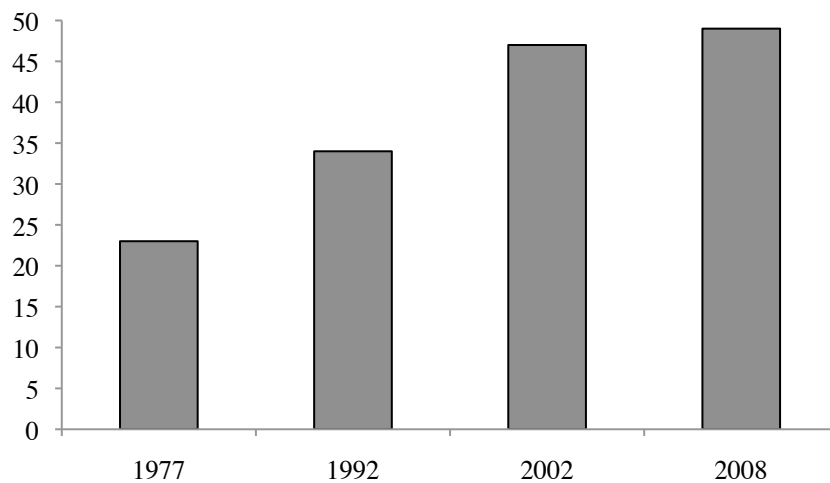
¹⁵⁹ U.S. Office of Management and Budget, *A-95 Interim Assessment* (Washington, DC: GPO, 1977); U.S. Office of Management and Budget, *OMB Circular No. A-95: An Assessment* (Washington, DC: GPO, 1978).

¹⁶⁰ ACIR, *Regionalism Revisited: Recent Areawide and Local Responses* (Washington, DC: GPO, 1977), 19–22.

¹⁶¹ *Ibid.*

problems with implementation. In particular, sub-state regional bodies were still made up of specialists with little involvement from “generalist” elected officials.¹⁶² A 1975 survey of state budget officers revealed they had little control over federal grant funds.¹⁶³ State legislatures were incapable of working around this problem with the legislative power because they lacked the ability to appropriate federal funds. Many state legislatures had no process for appropriating federal money; those that did only appropriated funds as indeterminate “lump sums” or “object classes,” which gave them little control over how authorizations were spent.¹⁶⁴

Figure 5.9. Number of States with Authority to Appropriate Federal Funds at the Program Level, 1977–2008



Sources: Council of State Governments, *Book of the States* (1978, 1992, 2002, 2008) and National Association of State Budget Officers, *Budget Processes in the States* (1977, 1992, 2002, 2008).

ACIR took two approaches to solving this problem. First, starting in 1975 it vigorously promoted model state legislation that required state appropriation of all federal aid in appropriations bills by specific program-level allocations and prohibited spending of federal funds over the amount appropriated by the legislature and illustrating “best practice” models through its *Intergovernmental Perspective*.¹⁶⁵ In the 1980s, state legislatures gradually introduced these budget-process reforms, including the power to appropriate federal funds at the level of individual programmatic goals, rather than lump

¹⁶² *Ibid.*, 21.

¹⁶³ ACIR, *The States and Intergovernmental Aids*, 41–21.

¹⁶⁴ James E. Skok, “Federal Funds and State Legislatures: Executive-Legislative Conflict in State Government,” *Public Administration Review* (1980): 561–567; George D. Brown, “Federal Funds and National Supremacy: The Role of State Legislatures in Federal Grant Programs,” *American University Law Review* 28 (3, 1978): 279–313.

¹⁶⁵ ACIR, *The States and Intergovernmental Aids*, 79; “State Action,” *Intergovernmental Perspective* 2(3, 1976): 9–11; “Where It Works,” *Intergovernmental Perspective* 2(3, 1976): 12–14.

sums (see Figure 5.9). By 2008, forty-nine state legislatures appropriated federal grant funds and many began to require that state agencies seek their approval before applying for federal grants.¹⁶⁶

Second, as part of a 14-volume series on federal grants-in-aid published in 1977, the ACIR stressed weaknesses in A-95 itself and urged the OMB to reform the program. Highlighting the lack of compliance from federal agencies, the pro-forma quality of the process and its constraints on state governments, the ACIR recommended greater OMB oversight of federal agencies and measures to promote the likelihood that states would review categorical programs—including loosening OMB requirements on the kinds of information included in the review and expanding the number of grants that A-95 applied to.¹⁶⁷ By the time of Ronald Reagan’s inauguration, the White House Office of Intergovernmental Affairs and the OMB itself were well-armed with potential amendments to A-95.

The first major change to A-95 came in 1982, when Reagan issued Executive Order (EO) 12372 which overhauled the review process in three important ways that helped to further undermine the cozy “picket fence” connections between federal, state, and local bureaucrats that smoothed the implementation of federal grant programs. First under EO 12372, states no longer had to establish “clearinghouses” or rely on specialist-dominated regional councils for review; rather, governors and legislatures could determine their review procedure on their own. Third, Reagan eliminated the OMB’s Intergovernmental Affairs division, signaling that management decisions would be performed in the states, not by the executive branch.¹⁶⁸ By 1984, 48 states had established processes for review under 12372 and more than half would ultimately dismantle their clearinghouses.¹⁶⁹ The National Association of Regional Councils, frustrated at the Reagan power-grab, threatened action in federal court, yet ultimately abandoned its efforts to undo the Order.¹⁷⁰

While the ACIR’s research on the administration of grants-in-aid did not stem the tide of categorical programs, it gave Nixon’s OMB and the Reagan White House the capacity to improve state governments’ leverage over these programs. By 1990, EO 12372 effectively shifted the review of over 100,000 grant applications from the OMB

¹⁶⁶ Richard L. Cole, Carl W. Stenberg, and Carol S. Weissert, “Reversing Directions: A Ranking and Comparison of Key U.S. Intergovernmental Events, 1960–1980 and 1980–1995,” *Publius: The Journal of Federalism* 26 (2, 1996): 25–40; Yoo-Sung Choi, Chung-Lae Cho, and Deil S. Wright, “Administrative Autonomy Among American State Agencies: An Empirical Analysis of Fragmentation and Functionalism,” *International Journal of Public Administration* 27 (6, 2004): 373–398.

¹⁶⁷ ACIR, *Regionalism Revisited: Recent Areawide and Local Responses* 31–37.

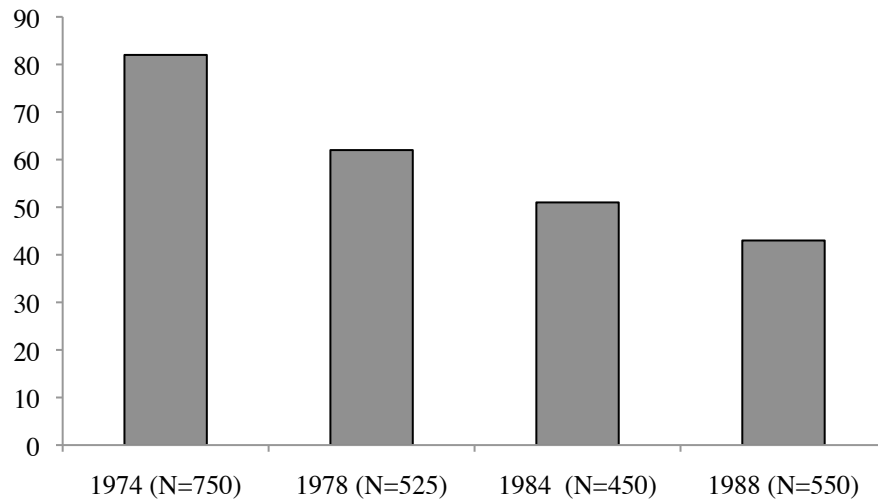
¹⁶⁸ Executive Order 12372, 47 FR 30959, 3 CFR, 1982 Comp., 197.

¹⁶⁹ Cole Blease Graham, Jr., “State Consultation Processes after Federal A-95 Overhaul,” *State & Local Government Review* 17 (2, 1985): 209.; See also Irene Fraser Rothenberg, “Regional Coordination of Federal Programs: Has the Difficult Grown Impossible?,” *Journal of Policy Analysis and Management* 4 (1, 1984): 1–16; Irene Fraser Rothenberg, and George J. Gordon, ““Out with the old, in with the new’: The New Federalism, Intergovernmental Coordination, and Executive Order 12372,” *Publius* 14 (3, 1984): 31–47.

¹⁷⁰ Bruce D. McDowell, “Intergovernmental Consultation Changes Provide Opportunities,” U.S. Advisory Commission on Intergovernmental Relations Bulletin No. 82-3, December 1982, 6.

and federal regional councils to state governments.¹⁷¹ As results from periodic surveys of state administrators suggest, the perception that federal grant programs skewed state priorities dramatically declined from 82 percent in 1974 to around 43 percent in 1988 (see Figure 5.10).¹⁷² Nor were Reagan’s predecessors eager to rescind the order and instead presided over an expansion of its scope. By 1995, the Order covered 81 percent of all categorical programs and had made a lasting impact on grant administration.¹⁷³

Figure 5.10.
Percent of State Administrators Surveyed Reporting that Federal Programs Contribute “Skew” State Policy Goals, 1974–1988



Source: Compiled by author from American State Administrators Project Data, Auburn University. For details on samples, see Chung-Lae Cho and Deil S. Wright, “Perceptions of Federal Aid Impacts on State Agencies: Patterns, Trends, and Variations Across the 20th century,” *Publius: The Journal of Federalism* 37 (1, 2007): 103–130.

Forging Policy Alternatives for Intergovernmental Mandate Reform, 1978–1995

As with categorical grants-in-aid, ACIR did not directly undo existing federal mandates on the states. Yet the ACIR was indispensable to the emergence of reforms that made the costs of mandates visible and often painful for members of Congress to publicly support.

¹⁷¹ Cole Blease Graham, Jr., “State Consultation Processes after Federal A-95 Overhaul.”

¹⁷² This finding converges with other ways of measuring federal fiscal influence developed by the American State Administrators’ Project. See Chung-Lae Cho and Deil S. Wright, “Perceptions of Federal Aid Impacts on State Agencies: Patterns, Trends, and Variations Across the 20th century,” *Publius: The Journal of Federalism* 37 (1, 2007): 103–130; Jeffrey Brudney and Deil S. Wright, “The ‘Revolt in Dullsville’ Revisited: Lessons for Theory, Practice, and Research from the American State Administrators Project, 1964–2008,” *Public Administration Review* 70 (1, 2010): 26–37.

¹⁷³ Catalog of Federal Domestic Assistance Programs (Washington, DC: GPO, 1995), Appendix I; The influence of EO 12372 has received limited attention in the federalism literature, but see Jeremy L. Hall, “Moderating Local Capacity: Exploring EO 12372’s Intergovernmental Review Effects on Federal Grant Awards,” *Politics and Policy* 36(4, 2008): 594–612. As Hall shows, coverage by EO 12372 depresses the effect of local government agencies’ expertise on their ability to obtain federal grant funds.

Because of its unique capacity for producing information, brokering ties between relevant political actors, and allowing political entrepreneurs to accumulate strategic knowledge, the ACIR fundamentally reshaped the politics of intergovernmental regulation by defining what counted as a “mandate,” framing mandates as a political dilemma that cities and states could collectively mobilize on, and recommending specific policy solutions that Congress and the President could adopt. The result was an increasingly contentious politics of “unfunded mandates,” and major reform efforts throughout the 1980s and 1990s.

The turn against mandates by conservatives and state and local governments alike arguably began with *National League of Cities v. Usery* (1976), in which cities brought suit against the Department of Labor for implementing the Fair Labor Standards Act, which had recently been amended to require cities and states to adhere to federal minimum wage laws, which it claimed violated the Tenth Amendment’s protection of state sovereignty by limiting the policy choices of states and cities.¹⁷⁴ While the case resulted in a 5-4 victory for the cities on the grounds that Congress impermissibly interfered with integral functions of local governments, Justice William Rehnquist’s majority opinion left a thin reed for opponents of intergovernmental regulation. By 1985, the Court reversed the reasoning in *Garcia v. San Antonio Metropolitan Transit Authority*, suggesting that the line it drew between integral and non-integral governmental functions was arbitrary.¹⁷⁵

In the years between *National League of Cities* and *Garcia*, the ACIR had been developing an arsenal to use against federal mandating. The first reform it suggested was that state governments begin to “define and catalogue” mandates—both those enacted by states mandates, as well as those enacted by Congress which the survey had revealed were significant.¹⁷⁶ As the Commission put it, the catalogue would provide the “indispensable first step for a review process” for mandates, “a process necessary to rationalize mandates in terms of current policy concerns rather than objectives more appropriate to the past.”¹⁷⁷ Development of the catalogue should, the report suggested, focus attention on the “worthiness of accumulated state mandates and aid legislative deliberation when they came up for review.”¹⁷⁸

A second step was the review of mandates itself. After analyzing states’ existing procedures for coping with a glut of mandates, the Commission suggested steps towards a review and screening process by both state executive and legislative branches, as well as local governments, was necessary to assure that mandates were actually needed and to rescind those that were not. Further, it offered suggestions for specific reimbursement procedures for local governments.¹⁷⁹

¹⁷⁴ See for example Sortirios Barber, “*National League of Cities v. Usery*: New Meaning for the Tenth Amendment?,” *The Supreme Court Review* (1976): 161–182.

¹⁷⁵ Mark Tushnet, “Why the Supreme Court Overruled *National League of Cities*,” *Vanderbilt Law Review* 47 (5, 1994): 1623–1656.

¹⁷⁶ ACIR, *State Mandating of Local Expenditures*, 7.

¹⁷⁷ *Ibid.*

¹⁷⁸ *Ibid.*

¹⁷⁹ *Ibid.*, 8.

Shortly after its 1978 study of mandates in state and local government, the ACIR began developing just the kind of mandate catalogue it recommended and formulating a strategy for mandate reform at the federal level.¹⁸⁰ The catalogue made a major conceptual innovation that was essential to the framing of mandate politics in the years to come by distinguishing intergovernmental mandates from regulations on private firms, of the sort described by critics of the “new social regulations” such as pollution-control measures imposed by Congress on businesses during the 1970s. Rather than defining mandates on the basis of their statutory styling as a command, the ACIR defined them by their *effects on state and local government*, a move that had only been hinted at in oral arguments before the Court.¹⁸¹ In doing so, it significantly broadened the definition of “mandate” itself beyond the direct orders and total preemptions, which mirrored federal regulations of business, found in *National League of Cities* and *Garcia*.¹⁸² For instance, though grants were essentially voluntary, they required resource commitments and changes in state laws and regulations that were onerous for states, legally and fiscally. Thus mandates now included even partial preemptions, which allowed states to enforce federal policies if they met certain requirements, as well as crosscutting requirements in federal grant programs (e.g. handicapped access to federally funded facilities and environment review), crossover sanctions (e.g. withholding of federal highway funds for failure to enforce speed limits) and program-specific grant conditions (e.g. requirements to expand the Medicaid program to new populations).¹⁸³

By 1980, the only solution to the mandate problem put forward during the annual meetings of the National Governors’ Association (formerly the National Governors’ Conference) focused on recommendations made by the ACIR, that suggested that Congress amend the Congressional Budget Act of 1974 to require that the Congressional Budget Office prepare fiscal notes for all federal mandates on state governments which reported estimates of their incurred costs of compliance.¹⁸⁴ The Commission also proposed legislation or executive actions requiring all federal departments and agencies to prepare regulatory impact analyses of new rules on state and local governments. New York City Mayor Ed Koch’s well-known 1980 article on the “Mandate Millstone,” featured in *The Public Interest*, merely rehearsed the ACIR’s 1978 recommendations with new examples.¹⁸⁵

By giving policy entrepreneurs in Congress and the White House an expanded set of criteria for identifying “mandates” and a policy prescription for solving the mandate “problem,” the ACIR’s work on mandate reform provided a basis for unique actions at the federal level in the 1980s. First, its 1978 report on state and local mandating provided leverage for intergovernmental organizations to push for mandate reform as a non-

¹⁸⁰ ACIR, *Regulatory Federalism: Policy, Process, Impact, and Reform*.

¹⁸¹ *Ibid.*; See *National League of Cities v. Usery*, Oyez Project at IIT Chicago-Kent College of Law, available: http://www.oyez.org/cases/1970-1979/1974/1974_74_878, accessed March 8, 2015.

¹⁸² ACIR, *Regulatory Federalism: Policy, Process, Impact, and Reform*, 3–4.

¹⁸³ *Ibid.*

¹⁸⁴ National Governors’ Association, Proceedings of the Annual Meeting, August 3-5, 1980, Denver, CO (Washington, DC: National Governors’ Association, 1980), 9–10.

¹⁸⁵ Edward I. Koch, “The Mandate Millstone.”

partisan valence issue and to offer their own fiscal note laws as an alternative for national reform.¹⁸⁶ After the ACIR released its study, representatives from cash-strapped New York City introduced legislation requiring fiscal notes on the impact of federal rules on state and local governments to be produced by the Congressional Budget Office (CBO).¹⁸⁷ During hearings on the bill, which passed both houses in 1981 with little fanfare, the CBO's analysis, and that of major intergovernmental organizations, specifically cited numerous ACIR reports to provide a definition of mandates, numerate the number of mandates currently in existence, and propose fiscal notes as a means of solving the problem.¹⁸⁸ When questioned about any problems with fiscal estimation techniques, the National Governors' Association's Stephen Farber replied that he did not know but that he would "be happy to obtain further information from the Advisory Commission on Intergovernmental Relations."¹⁸⁹ The result was that the State and Local Cost Estimate Act of 1981 contained a prospective effects-based definition of mandates that accorded with those described in the ACIR's report. A mandate was any "bill or resolution" which in the judgment of the CBO "is likely to result in an annual cost to state and local governments of \$200,000,000 or more or is likely to have exceptional fiscal consequences for a geographic region or particular level of government."¹⁹⁰

Second, the ACIR's work provided fodder for more partisan maneuvers on federalism reform inside the Reagan Administration. In 1984, the Commission compiled its research on federal mandates into a major work entitled *Regulatory Federalism: Policy, Process, and Impact*, which sharpened the focus on the inadequacy of existing mechanisms for intergovernmental regulatory relief. As the Commission noted in its 1984 report, the Nixon and Reagan Administrations routinely conducted cost-benefit analysis of major rules, but rarely provided a specific estimate of the *intergovernmental* costs of new federal legislation.¹⁹¹ Yet even Reagan's EO 12291, which yielded new regulatory-review requirements for intergovernmental mandates,

...Focus[e] too much on the burdens federal regulations place on the private sector and too little on those it generates for subnational governments. This secondary concern for intergovernmental impacts is sufficient, the Commission believes, to warrant some modifications in the process.¹⁹²

The Commission recommended, therefore, that Reagan revise the order to give full consideration to the "intergovernmental effects—economic and noneconomic—that

¹⁸⁶ See Paul Posner, *The Politics of Unfunded Mandates*, 160–168; Catherine H. Lovell and Hanria R. Egan, "Fiscal Notes and Mandate Reimbursement in the Fifty States," *Public Budgeting & Finance* 3 (3, 1983): 3–18.

¹⁸⁷ U.S. Congress, House of Representatives, Committee on the Budget, Task Force on State and Local Governments, State and Local Government Cost Estimate Act (H.R. 3697), 86th Cong., 1st sess.

¹⁸⁸ *Ibid.*, 60–89, 90–100.

¹⁸⁹ *Ibid.*, 28.

¹⁹⁰ P.L. 97–108.

¹⁹¹ Executive Order 12291, 46 FR 13193, 3 CFR, 1981 Comp., 127.

¹⁹² ACIR, *Regulatory Federalism: Policy, Process, Impact, and Reform*, 311.

will be generated by any proposed rule.”¹⁹³ In 1987, the Reagan Administration issued EO 12612, the first general executive order covering intergovernmental regulations. Mirroring numerous ACIR proposals (see Table 5.7), EO 12612 set out new policymaking criteria for federal agencies, including: requirements for consultation with state and local government associations on regulatory issues similar to EO 12372; a policy of deference to state and local governments’ choice of policy instruments in implementing federal programs through certification processes; prohibitions on submitting legislation to Congress that would directly regulate states, attach conditions to grants not directly related to the purpose of the grant or preempt state law except in the case of a “clearly legitimate national purpose”; and a requirement that agencies review new rules to identify how they affect “States’ ability to discharge traditional State governmental functions.”¹⁹⁴

While EO 12612’s procedures brought issues of consultation with state governments to agencies’ attention in a new way, its formal regulatory-review provisions proved difficult for agencies to implement.¹⁹⁵ More importantly, neither EO 12612 nor the other regulatory executive orders stopped the flow of federal mandates, which the ACIR continued to call attention to throughout the 1980s.¹⁹⁶ By 1990, the Commission reported the adoption of 27 new federal mandates since 1983, which it estimated to impose cumulative costs of between \$8.9 billion and \$12.7 billion on states and localities—costs that had grown at a much faster rate than federal aid.¹⁹⁷ In addition, the Commission contended that existing legislation and regulations only provided a conservative estimate of mandate costs and suggested that CBO estimates were too low. Some costs were simply intangible, others were unwieldy for the CBO to compute, and others were simply too uncertain given the inability to predict subsequent agency interpretations. The 1981 Cost Estimate Act did not give the CBO enough time to prepare estimates, excluded tax and appropriation bills. Nor was the CBO adequately staffed to develop a “regular network of state and local government contacts” which would allow it to systematize cost estimation.¹⁹⁸

As the result of the ACIR’s work at repackaging the mandates issue and highlighting the inadequacy of federal cost-estimation techniques, state and local governments were better able to coordinate their efforts. In 1993, four major intergovernmental organizations brought the issue to a head with a high-profile publicity event, “National Unfunded Mandates Day,” which featured press conferences across the country to publicize the costs of unfunded federal mandates on cities, which they had

¹⁹³ Ibid.

¹⁹⁴ Executive Order 12612, October 26, 1987, 52 FR 41685, 3 CFR, 1987 Comp., 252.

¹⁹⁵ General Accountability Office, *Federalism: Implementation of Executive Order 12612 in the Rulemaking Process*, T-GGD-99-93 (Washington, DC: GPO, 1999).

¹⁹⁶ ACIR, *Federal Regulation of State and Local Governments: The Mixed Records of the 1980s* (Washington, DC: GPO, 1993), 3.

¹⁹⁷ Ibid.

¹⁹⁸ Ibid.

asked their members to compile.¹⁹⁹ Though the study’s results were widely criticized, since the information had been volunteered by counties and cities particularly likely to incur high mandate costs, the event brought a vast increase in media attention to mandates.²⁰⁰

Table 5.7. Implementation of ACIR Recommendations on Mandates, 1981–1988

<i>ACIR Recommendation (Year First Made)</i>	<i>Introduced In</i>
Intergovernmental Cost Review of Major Mandates (1978)	State and Local Cost Estimate Act (1981); EO 12291 (1981); EO 12498 (1985)
Clear affirmation of federal principles in law (1984)	EO 12612 (1987)
Full reimbursement of mandate costs (1984)	None
Clearly define major rules to include those requiring change in state laws (1984)	None
Limit usage of direct orders, cross-cutting regulations, crossover sanctions (1984)	EO 12612 (1987)
Authorize participation by state and local governments in drafting federal regulations 1984)	EO 12612 (1987)
Require federal agencies to allow some state and local regulations in lieu of federal ones (1984)	EO 12612 (1987)

Note: * indicates partial implementation; EO 12612 was supplemented by EO 12875 (1993), and replaced by EO 13083 (1998) and EO 13213 (1999); EO 12291 and 12498 were later replaced by EO 12866 (1993).

The ACIR had done more than give unfunded mandates a strong framing and coalition, it also shaped the policy alternatives available to congressional policy entrepreneurs who led the charge on the Unfunded Mandates Reform Act (UMRA). By the time Sen. Dirk Kempthorne (R-ID) introduced mandate legislation in early 1993, he exclusively used the ACIR’s definition of mandates, which extended not simply to direct orders, but any requirement imposed on state and local governments—including requirements associated with grant-in-aid programs.²⁰¹ While Democrats would bargain

¹⁹⁹ Timothy J. Conlan, James D. Riggle, and Donna E. Schwartz, “Deregulating federalism? The politics of mandate reform in the 104th Congress,” *Publius: The Journal of Federalism* 25 (3, 1995): 23–40.

²⁰⁰ Daniel H. Cole and Carol S. Comer, “Rhetoric, Reality, and the Law of Unfunded Federal Mandates,” *Stanford Law and Policy Review* 8 (2, 1997): 103; Paul Posner, *The Politics of Unfunded Mandates*, 165.

²⁰¹ S. 993, 103rd Cong. (1993).

down this definition to exclude grant conditions that did not exceed a \$500 million dollar threshold as well as mandates enforcing constitutional rights and preventing discrimination, this definition basically reflected the more encompassing understanding of mandates developed in ACIR reports.²⁰² Kempthorne also initially opted for a “no funding, no mandate” style approach to reform that the ACIR had advocated since 1984. While he eventually abandoned the provision in order to broaden support for his bill, his compromise measure included other alternatives the ACIR had initially introduced that shifted congressional attention to the costs of new legislation rather than its benefits.²⁰³ This included a requirement that committees reporting mandate legislation submit it to CBO for further scrutiny and cost estimation. For any cost-estimate higher than \$50 million dollars or more in the first fiscal year, CBO then had to analyze potential impacts on state and local governments. Further, the legislation included a point-of-order provision, which allowed any member of Congress to halt mandates with large uncompensated costs for state and local governments unless overridden by a majority of the chamber.²⁰⁴

Fearful of reprisals from governors and mayors on “Unfunded Mandates Day” that might thwart his plans for administrative reforms, Vice President Al Gore and domestic policy advisor Carol Rasco wrote to the President on October 19th recommending the introduction of new “reasonable” legislation as an alternative to Kempthorne’s bill that would introduce the idea of regulatory waiver processes for states.²⁰⁵ They also suggested a new presidential Executive Order on federalism, which would impose new limits on unfunded mandates. Clinton responded affirmatively, and signed Executive Order 12875 in just over a week (see Figure 5.11).²⁰⁶

The executive order did not mollify advocates of mandate reform, however. Domestic policy advisor Carol Rasco wrote to Sally Katzen at the Office of Information and Regulatory Affairs that she had “just begun to understand what the unfunded mandate E.O. does and does not do” and needed a clearer set of directions for implementing the order “so as not to have people yelling at us.”²⁰⁷ Yet with Kempthorne’s legislation on the agenda and a coming conservative tide in Congress, the Clinton Administration was increasingly coming to accept unfunded mandate reform as a necessary evil, and White House officials held meetings on drafting substitute language on unfunded mandates.²⁰⁸ By August, a memo prepared for White House Chief of Staff Leon Panetta argued that the momentum behind unfunded mandate reform,

²⁰² Paul Posner, *The Politics of Unfunded Mandates*, 170–171.

²⁰³ Vice President Al Gore and Carol Rasco, Memorandum for the President, October 19, 1993, Domestic Policy Council, Issues Series, Box 126, NLWJC.

²⁰⁴ *Ibid.*

²⁰⁵ *Ibid.*

²⁰⁶ “Executive Order 12875: Enhancing the Intergovernmental Partnership,” October 26, 1993, available: <http://www.presidency.ucsb.edu/ws/?pid=61568>, accessed January 10, 2015.

²⁰⁷ Carol Rasco to Sally Katzen January 11, 1994, Domestic Policy Council, Issues Series, Box 126, NLWJC.

²⁰⁸ Leon Panetta, Memorandum for the National Economic Council, May 3, 1994, Domestic Policy Council, Issues Series, Box 126, NLWJC.

is being fueled by conservative Members of Congress (who are not great fans of the underlying legislation in the first place, by the associations of state and local elected officials...who are under great pressure to meet increasing demands with increasingly limited resources, and, more recently, by some of the more moderate Members of Congress who want to be able to cast a vote against federal mandates and/or in favor of local prerogatives before having to run for reelection this fall.²⁰⁹

Figure 5.11. Policy Recommendations for President Clinton on Unfunded Mandates, October 1993

Recommendation	
Provided that the leadership in the House and Senate agree, we would like to develop by Unfunded Mandates Day a strategy encompassing some or all of the recommendations outlined above. Please indicate below how you would like us to proceed:	
<input checked="" type="checkbox"/>	Develop entire package -- Presidential directive, legislative authority for waivers, consolidate grant programs, etc. -- for your review
<input checked="" type="checkbox"/>	Develop presidential directive to limit use of unfunded mandates
<input checked="" type="checkbox"/>	Develop legislation regarding waivers
<input checked="" type="checkbox"/>	Develop legislation regarding grant programs
<input checked="" type="checkbox"/>	Develop legislation regarding targeted Federal assistance
<input checked="" type="checkbox"/>	Develop legislation regarding technical assistance
<input type="checkbox"/>	Discuss further

Handwritten notes:
 - A bracket groups the last two items with a note: "Summ 95"
 - An arrow points from "Discuss further" to "Mayer"
 - Another arrow points from "Summ 95" to "Summ 95 Notes"

Note: Handwriting indicates Clinton's responses.

Source: Vice President Al Gore and Carol Rasco, Memorandum for the President, October 19, 1993, Domestic Policy Council, Issues Series, Box 126, NLWJC.

According to Weinstein, the Kempthorne legislation now threatened to “strain relations between the President and the governors/mayors.” But more importantly, Kempthorne’s bill was the “best deal we probably can get without alienating state and local groups and Republican moderates” and “possible changes in the makeup of Congress may mean that next year’s legislative compromise would be less appealing to the Administration.”²¹⁰ In the end, the White House chose to move quickly but failed to

²⁰⁹ Paul Weinstein to Leon Panetta, August 22, 1994, Domestic Policy Council, Issues Series, Box 126, NLWJC; See also Paul Weinstein, Memorandum for the President, June 10, 1994, Domestic Policy Council, Issues Series, Box 126, NLWJC.

²¹⁰ Paul Weinstein to Leon Panetta, August 22, 1994, Carol Rasco Files, Domestic Policy Council, Issues Series, Box 126, NLWJC.

secure support from many officials within the Administration or congressional Democrats in the balance of the 103rd Congress.²¹¹ By January of 1995, Republicans were moving “very fast in the Senate” to pass the reform and the White House found itself at pains to bring House Democrats together around an alternative which would have allowed for federal waivers of mandates, provided that states could show proof that no additional federal funds were available for implementation.²¹² Yet unfunded mandates reform was already at of the new Republican majority’s list of priorities, embodied in the legislation S.1, and, with several minor changes, would become law in the span of three months.²¹³

**Table 5.8. Bills Reviewed under UMRA
by Congressional Budget Office, 1996–2010**

	<i>1996–2005</i>	<i>2006–2010</i>	<i>Total</i>
Number (%) With No Mandates	5069 (88%)	2363 (86%)	7432 (87%)
Number (%) With Mandates Below Threshold	597 (10%)	332 (12%)	929 (11%)
Number (%) Above Threshold or Could Not Be Estimated	103 (2%)	58 (2%)	161 (2%)
Number of Bills Reviewed	5769	2753	8522

Sources: Congressional Budget Office, *A Review of CBO’s Activities Under the Unfunded Mandates Reform Act, 1996–2005* (Washington, DC: GPO, 2006); Congressional Budget Office, *A Review of CBO’s Activities Under the Unfunded Mandates Reform Act, 2006–2010* (Washington, DC: GPO, 2011).

UMRA was not a pure win for the ACIR or for conservative reformers. In order to build a coalition for reform, Republicans accepted some limits to the coverage of law and gave up their push for a full-scale moratorium on mandates. Nevertheless, the reform’s requirements for CBO analysis gave state and local governments an opportunity to raise concerns about the cost of new regulations and placed a squeeze on mandate legislation. As Table 5.8 shows, 87 percent of the bills reviewed by CBO under UMRA between 1996 and 2010 contained no intergovernmental mandates. Only 2 percent contained mandates that exceeded UMRA’s \$50 million-dollar cost criterion. More importantly, however, the number of bills submitted to CBO for review decreased significantly over the period, suggesting that the reform had at least forced Congress to be more cautious in

²¹¹ Paul Weinstein, Memorandum for the President, Vice President, and Leon Panetta, September 9, 1994, Domestic Policy Council, Issues Series, Box 126, NLWJC.

²¹² Sally Katzen, Memorandum for Distribution, January 2, 1995, Domestic Policy Council, Issues Series, Box 126, NLWJC.

²¹³ “Law Restricts Unfunded Mandates,” *Congressional Quarterly Almanac* 51 (1996), 3-15–3–20.

reporting its mandating activity publicly, if not more cautious about actually introducing mandates in the first place.²¹⁴

Failed Brokerage on Systemic Reform: The Politics of Sorting Out, 1981–1993

While the ACIR made strides on grant and mandate reform during the 1980s and 1990s, its weakened capacity for brokerage made it incapable of shepherding system-level reforms to fiscal federalism when a moment of opportunity arose. In 1980, both conservative policy entrepreneurs and state and local officials had become interested in “sorting out” functions between state and local government. While conservatives in organizations like the Heritage Foundation and the American Legislative Exchange Council (ALEC) pushed for the devolution of the administration and financing of low-income social policies like Aid to Families with Dependent Children to the states, state and local officials increasingly urged the federal assumption of these responsibilities in exchange for the state assumption of a large package of categorical programs, including the Elementary and Secondary Education Act.²¹⁵

Table 5.9. ACIR’s “Rough Tradeoff Proposal”, 1980

<i>Federal Assumptions (in millions)</i>		<i>State/Local Assumptions (in millions)</i>	
Public Welfare (including Medicaid, Food Stamps)	\$17,628	Education	\$11,602
Social Insurance	226	Libraries	103
Housing	730	Fire Protection	4
<u>Total</u>	<u>\$18,584</u>	Police and Corrections	551
		Health and Hospitals	2,454
		Natural Resources	551
		Airports	719
		<u>Total</u>	<u>\$15,994</u>

Source: ACIR, *An Agenda for American Federalism: Restoring Confidence and Competence* (Washington, DC: GPO, 1980), 124.

In the past, the ACIR would have been an ideal venue for brokering presidential proposals for sorting out. Indeed, by 1980, the ACIR had developed a comprehensive proposal for “swapping” federal and state responsibilities which involved a federal assumption of the administration and financing for public welfare programs, including

²¹⁴ Theresa Gullo, “History and Evaluation of the Unfunded Mandates Reform Act,” *National Tax Journal* 57 (3, 2004): 559–570.

²¹⁵ Richard S. Williamson, “The 1982 New Federalism Negotiations”; Timothy J. Conlan, “Federalism and Competing Values in the Reagan Administration,” *Publius: The Journal of Federalism* 16 (1, 1986): 29–48; Bruce D. McDowell, “Advisory Commission on Intergovernmental Relations in 1996: The End of an Era”; Stephen B. Farber, “The 1982 New Federalism Negotiations: A View from the States”; Richard S. Williamson, “A New Federalism: Proposals and Achievements of President Reagan’s First Three Years,” *Publius: The Journal of Federalism* 16 (1, 1986), 11–28.

Medicaid and Food Stamps, in exchange for devolving the costs and responsibilities for categorical programs like the Elementary and Secondary Education Act to state and local governments (see Table 5.9).²¹⁶

To the chagrin of conservatives, however, the ACIR's proposal would have added \$2.5 billion dollars to the federal budget. Thus after President Reagan took office, he sought new terms and new venues for policy planning and bargaining with the states.²¹⁷ In early 1981, he established a temporary President's Advisory Committee on Federalism (PACF) by executive order to help plan his own "sorting out" proposal. PACF mirrored the design of ACIR, with representation from both parties, members from each level of government, and private citizens.²¹⁸ In other regards, it marked an organizational departure. First, while Reagan added several members of the ACIR to the new Commission, he also drew on individuals from the burgeoning conservative intergovernmental policy network represented by the American Legislative Exchange Council (ALEC). These included ALEC's national chairman, state legislator Tom Stivers (R-ID) as well Sen. Paul Laxalt (R-NV), who chaired the new Committee. Second, PACF helped to plan early-stage policy proposals, but was not the central site of negotiations. Rather than meeting with multiple sets of government officials at once, the White House negotiated with governors, mayors, state legislators, and county officials separately (see Table 5.10).

Table 5.10.
President's Advisory Committee on Federalism
(ALEC Members in **Bold**; ACIR Members in *Italics*)

U.S. Senators: **Paul Laxalt (R-NV)**, *William V. Roth, Jr. (R-DE)*, **David Durenberger (R-MN)**, Pete V. Domenici (R-NM), David L. Boren (D-OK), and *Ernest F. Hollings (D-SC)*

U.S. Representatives: Richard T. Schulze (R-PA), Richard Bolling (D-MO), *L.H. Fountain (D-NC)*, *Clarence Brown (R-OH)*, Frank Horton (R-NY); and Jack Brooks (D-TX)

Governors: George Busbee (D-GA), Scott Matheson (D-UT), **Lamar Alexander (R-**

²¹⁶ ACIR, *An Agenda for American Federalism: Restoring Confidence and Competence* (Washington, DC: GPO, 1980), 124.

²¹⁷ Ronald Reagan to Members of the Cabinet and Agency Heads, March 20, 1981, William Hudnut Collection, Box 183, UIND; Official Transcript of Proceedings, Revenue Resource Return Subcommittee of the Presidential Advisory Committee on Federalism, October 22, 1981, William Hudnut Collection, Box 34, UIND; Richard S. Williamson to William Hudnut, March 26, 1981, William Hudnut Collection, Box 183, UIND.

²¹⁸ Richard S. Williamson to Presidential Advisory Committee on Federalism, June 15, 1981, William Hudnut Collection, Box 183, UIND; Richard S. Williamson to William Hudnut, July 16, 1981, William Hudnut Collection, Box 183, UIND.

TN), James R. Thompson (R–IL), Pierre S. duPont, IV (R–DE) and *Richard A. Snelling (R–VT)*

State Legislators: **T.W. Stivers (R–Idaho)**, **Chuck Hardwick (R–NJ)**, Anne Lindeman (R–AZ); Benjamin L. Cardin (D–MD); **Dean Rhodes (R–NV)**, and John Hainkel (D–LA)

Mayors: Margaret Hance (R-Phoenix, AZ); *Tom Moody (R-Columbus, OH)*, Johnny Ford (D- Tuskegee, AL), Henry Cisneros (D-San Antonio, TX) Edward I. Koch (D-New York, NY); William H. Hudnut (R-Indianapolis, IN), and Ferd Harrison (D-Scotland Neck, NC)

County Officials: Roy Orr (D–Dallas County, TX); Virgil E. Brown (R–Cuyahoga County, OH), William Murphy (R–Rensselaer County, NY); Bruce Nestande (R–Orange County, CA); Sandra Smoley (R–Sacramento County, CA); and Donald L. Smith (R–Anchorage Municipality, AK)

Private Citizens: F. Clifton White, Robert B. Hawkins, C.D. Ward, Clifford Hansen, Otis Bowen, and William T. Coleman

Source: Richard S. Williamson, “The 1982 New Federalism Negotiations,” *Publius* 13 (2, 1983): 13.

The negotiations failed for several reasons. First, the Administration’s negotiating team, having ignored the ACIR’s proposals, underestimated just how unpalatable governors, state legislators, and mayors would find their proposal to devolve fiscal and administrative responsibilities for income maintenance programs like AFDC, Food Stamps, and Medicaid in exchange for tax sources.²¹⁹ During the PACF’s meetings in late 1981, state and local officials endorsed the ACIR’s position that the sorting should move in the other direction, with full federal assumption of responsibilities for income maintenance programs, arguing that income maintenance costs were the result of factors beyond a state’s control.²²⁰ Conservatives from ALEC, represented by Tom Stivers, took another tack. ALEC had remained “firm and resolute” in advocating for turnbacks rather than simply more block grants or revenue sharing. And as Stivers put it,

I do believe that we should stay close to the mark on what the true concept of federalism is. And some of these states claim that they have more or less people in need, or more people that are sick, or all this or all that, and I think those

²¹⁹ Clarence J. Brown to Paul Laxalt, June 22, 1981, William Hudnut Collection, Box 183, UIND.

²²⁰ Official Transcript of Proceedings, Presidential Advisory Committee on Federalism, December 15, 1981, William Hudnut Collection, Box 34, UIND; Edward I. Koch to Members of the Presidential Advisory Committee on Federalism, December 15, 1981, William Hudnut Collection, Box 34, UIND; Stephen B. Farber, “The 1982 New Federalism Negotiations: A View from the States.”

problems can be worked out in the states that progress slowly.²²¹

Second, the window of time for negotiation was short. By not subdividing its responsibilities, PACF had moved slowly towards its goal of a final report in 1981, and ultimately failed to produce one.²²² Since the Administration hoped to offer its package of reforms prior to the 1982 midterm elections, there was little time for analysis of the complex accounting issues involved.²²³ The White House had shouldered the small Office of Intergovernmental Affairs, led by Richard Williamson, with the burden of analyzing the proposals, yet Williamson's office enjoyed little analytical support from cabinet officers in other federal agencies and only brought in the ACIR in a limited way, to assess fiscal disparities between states.²²⁴ As a result, neither Reagan nor governors were certain about the potential outcomes of the proposals. States puzzled over the effects of the Reagan team's offer to take some portions of the package—including food stamps—off the table, and proposed a \$19 billion dollar Medicaid assumption in exchange for a \$7 billion state assumption of AFDC. Similarly, the White House found it difficult to project what might result from governors counter-offer to change the relationship between food stamps and AFDC, such that food stamp payments to individuals did not decline as AFDC payments increased—resulting in a \$3.8 billion dollar assumption of funds by the federal government in exchange for \$3.8 billion dollars in categorical spending taken on by states.²²⁵

Third, the negotiations took place in a context of federal budget austerity, which sewed animosity among state and local officials. After Reagan introduced severe budget cuts in 1981, which had placed a strain on state budgets and proposed more still, governors became increasingly reluctant to strike a deal. By August of 1982, the president called the negotiations off.²²⁶

Despite the failure of Reagan's tradeoff proposal, the creation of the PACF shows how organizational experimentation by conservatives produced new sites for coalition building and new policy ideas, thereby limiting the ACIR's brokerage capacity. Interactions between the Reagan Administration and ALEC members like State Senators John Kasich (R-OH) and Robert Monier (R-NH) at PACF led to the formation of seven ALEC "Cabinet Task Forces," which worked directly with the administration on intergovernmental policy development.²²⁷ Organizations like ALEC and the Heritage Foundation generated a new network of conservative policy experts like Stuart Butler and

²²¹ Official Transcript of Proceedings, Presidential Advisory Committee on Federalism, December 15, 1981, William Hudnut Collection, Box 34, UIND, 89.

²²² Paul Laxalt to William Hudnut, September 24, 1981, William Hudnut Collection, Box 183, UIND.

²²³ Williamson, Richard S. "The 1982 New Federalism Negotiations."

²²⁴ Richard S. Williamson to William Hudnut, December 7, 1981, Box 34, UIND; Richard S. Williamson to William Hudnut, January 28, 1982, William Hudnut Collection, Box 34, UIND.

²²⁵ Richard S. Williamson, *Reagan's Federalism: His Efforts to Decentralize Government* (Lanham, MD: University Press of America, 1982), 161–171.

²²⁶ Ibid.

²²⁷ See Carton 6, Folders 26–30, People for the American Way Collection of Conservative Political Ephemera, BANC.

Peter Germanis, who began to dominate discussions of fiscal reform within the White House. Germanis, for example, was a lead author of the White House Domestic Policy Council's 1986 report *Up From Dependency*, which inspired the Administration's push for the 1988 Family Support Act, recommended that Congress waive federal welfare rules to allow states to experiment with reforms to cut public assistance rolls through work requirements and that "the federal government should initiate a program of widespread, long-term experiments in welfare policy through state-sponsored and community-based demonstration projects."²²⁸

ALEC also introduced significant policy innovations later adopted by the Administration. ALEC's Don Totten, a state legislator from Illinois, imported the concept of "enterprise zones" from the United Kingdom, which aimed to revitalize distressed urban communities through deregulation rather than fiscal support.²²⁹ Through ALEC newsletters, Totten's idea soon generated supporters in state governments as well as in Congress, where it was introduced by Rep. Jack Kemp (R-NY).²³⁰ By 1986, enterprise zones were a key part of the Reagan Administration's urban policy.²³¹

In comparison to these ideologically homogeneous organizations, the ACIR during the Reagan administration was fraught with ideological conflict over fiscal issues. Under Reagan appointees, first Secretary of Interior James Watt, and then Reagan advisor Robert B. Hawkins, the Commission became more sympathetic to Reagan proposals.²³² In 1986, a majority of commissioners endorsed a slightly altered versions of the Administration's failed "sorting out" initiatives in a 1986 report on *Devolving Federal Program Responsibilities and Revenue Sources to State and Local Governments*.²³³ Yet the report continued drew sharp dissents from some governors and mayors on the Commission, who criticized the report for making basic factual errors, including overstating the growth of federal grant-in-aid spending, and offering "specious" claims

²²⁸ White House Domestic Policy Council, Low-Income Opportunity Working Group, *Up From Dependency* (Washington, DC: GPO, 1986), 1; Mark Rom, "The Family Support Act of 1988: Federalism, Developmental Policy, and Welfare Reform," *Publius: The Journal of Federalism* 19 (3, 1989): 57-73.

²²⁹ Robert Mier and Scott E. Gelzer, "State Enterprise Zones The New Frontier?," *Urban Affairs Review* 18 (1, 1982): 39-52.

²³⁰ *Ibid.*

²³¹ Harold Wolman, "The Reagan Urban Policy and its Impacts," *Urban Affairs Review* 21 (3, 1986): 311-335.

²³² William Hudnut to Robert B. Hawkins, Jr., December 18, 1984, William Hudnut Collection, Box 180, UIND. Bruce D. McDowell, "Advisory Commission on Intergovernmental Relations in 1996: The End of an Era.," See also Robert B. Hawkins, Oral History Interview, June 14, 1984, BANC. Hawkins commentary on the ACIR during this period is revealing: "I just got a letter from a professor saying, 'This [Intergovernmental Perspective column] shows how much things have changed; you almost sound moderate.' And I sent him back a statement saying that I couldn't allow that to happen. I'll make sure my next [Chairman's column] is more extreme. But I just think we've kind of come to the end of the rope that big is better and that we're groping along now for a new theory of governance. What I'm trying to do at ACIR is see if we can't nudge that along and see what it looks like" (81).

²³³ ACIR, *Devolving Federal Program Responsibilities and Revenue Sources to State and Local Governments* (Washington, DC: GPO, 1986), 4; See also, for example, ACIR, *Fiscal Discipline in the Federal System: National Reform and the Experience of the States* (Washington, DC: GPO, 1987).

about the virtues of turnbacks based on little hard evidence.²³⁴ The Commission's leadership also made it difficult for state and local governments to use the organization to advance their own fiscal agendas. After Reagan proposed eliminating state and local tax deductions in the Tax Reform Act of 1986, the *Washington Post* published a table from an ACIR report showing how much state and local governments would have to increase taxes to make up the difference. Yet Chairman Robert Hawkins quickly wrote a letter to the editor defending the administration's proposal and charging that the *Post* had misinterpreted the data by not taking into consideration the offsetting savings the reform would generate for taxpayers.²³⁵ Indeed, despite much opposition from governors to the administration's proposal, and characteristic of weak brokerage capacity on fiscal issues, the ACIR released no recommendation on it in the course of the legislative debates.²³⁶

Conclusion

The ACIR's destruction in 1996 at the hands of the 104th Congress understates just how important it had been in aiding conservatives to engage in reorganizing the activist state. As this chapter has shown, the ACIR did not always produce unqualified policy victories for conservatives. Its actions did not lead to the retrenchment or the undoing of an activist federal government. The Commission was more successful in authoritatively defining the limits of appropriate federal action, as saw in the case of the VAT and mandate reform.

Additionally, the ACIR helped to form coalitions around policy ideas that enhanced the role of state and local governments in making decisions about federal policy, as we saw in the case of revenue sharing. And as the cases of grant and mandate reform reveal, the ACIR also helped to generate the kind of strategic knowledge that policy entrepreneurs could use to craft politically viable reforms.

The Commission's ability to generate institutional change withered, however, as fiscal pressures and the development of new organizations strained its ability to act as a broker between conservatives and state and local governments, which precluded the kind of systemic reforms the Commission endorsed in the early 1980s. Though the ACIR's capacity for institutional change was always conditional, as the concluding chapter suggests, it bears responsibility for reforms that reshaped American intergovernmental relations.

²³⁴ *Ibid.*, 5–6.

²³⁵ "Eliminating the State-Local Tax Deduction," *Washington Post*, June 18, 1985, A13; Robert B. Hawkins, Jr., "Deductibility—Winners and Losers," *Washington Post*, July 8, 1985, A10.

²³⁶ ACIR, *A Staff Report: The Tax Reform Act of 1986 and its Effect on both Federal and State Personal Income Tax Liabilities* (Washington, DC: GPO, 1988).

Chapter Six

Restructuring Politics, Reorganizing Intergovernmental Relations

...This new noncentralization does not represent a retreat from nationalization to an older style of territorial democracy, but a movement to a new stage which combines territorially based and nonterritorially based actors.

Daniel Elazar (1985)¹

In the fragmented American polity, the deck is stacked against political entrepreneurs—liberals and conservatives alike—who wish to take positive action to restructure government. During the postwar period, conservatives may have enjoyed the benefits of *status quo* biases that limited the expansion of national governing capacities, but this strategy wore thin as the New Deal regime's interest groups, bureaucrats, judges, and philanthropists gained increasing capacity to coordinate with one another.² Soon, conservatives began to worry, and rightfully so, that liberal accomplishments would become immune to retrenchment and had already begun to "lower the legitimacy barrier" to greater national action on domestic affairs.³ Many scholars have characterized conservatives' signature set of positive responses to these challenges, often collectively referred to as "the New Federalism," as either a replay of their confrontation with liberals in the 1930s or an opportunistic "reaction" to the perceived failures of the Great Society.⁴ In contrast to these accounts, I have argued that, given the barriers to positive action in the American polity and the limited resources of individual political entrepreneurs, the ideas, coalitions, and policy alternatives central to New Federalism emerged through a different process.

Facing barriers to policy change, conservatives relied on what I call generative institutions, in this case intergovernmental commissions, to discover politically viable reforms. Since they did not significantly reallocate revenue and lack regulatory authority, intergovernmental commissions constructed with relative ease. To be successful at generating reforms, however, these institutions could not simply rearticulate

¹ Daniel Elazar, "Forces Shaping the Federal System Today," in *Emerging Issues in American Federalism: Papers Prepared for ACIR's 25th Anniversary* (Washington, DC: GPO, 1985), 4.

² Stephen Skowronek, "An Attenuated Reconstruction: The Conservative Turn in American Political Development," in *Conservatism and American Political Development*, Brian Glenn and Steven Teles, eds. (New York: Oxford University Press, 2009), 348–363.

³ James Q. Wilson, "American Politics: Then and Now," *Commentary* (February, 1979); Martha Derthick, "Crossing Thresholds: Federalism in the 1960s," *Journal of Policy History* 8 (1, 1996): 64–80.

⁴ Michael K. Brown, *Race, Money and the American Welfare State* (Ithaca, NY: Cornell University Press, 1999); Joe Soss, Richard Fording, and Sanford Schram, *Disciplining the Poor: Neoliberal Parteralism and the Persistent Power of Race* (Chicago: Chicago University Press, 2011); Timothy J. Conlan, *From New Federalism to Devolution: Twenty-five Years of Intergovernmental Reform* (Brookings Institution Press, 1998); A. James Reichley, *Conservatives in an Age of Change: The Nixon and Ford Administrations* (Brookings Institution Press, 1981); Bruce Wallin, *From Revenue Sharing to Deficit Sharing* (Washington, DC: Georgetown University Press, 1998).

conservatives' existing preferences. Rather, they brought together the raw materials of information, stakeholders, and policy alternatives to produce reforms that conservatives would not have otherwise embraced. New Federalism reforms, then, represented compromises forged within intergovernmental commissions. They did not stop or reverse the trend of federal involvement in domestic policy. Instead, they gave state and local elected officials a larger role in making decisions that shaped the fate of national policies. For conservatives, this opened up new opportunities to contest liberal reforms. In this final chapter, I review the evidence for this argument and consider its implications for our understanding of conservatives' relationship to the activist state, the politics of federalism in the postwar period, and theories of institutional change.

I. Intergovernmental Commissions and New Federalism

This account of federalism reforms emphasizes the need to understand the role conservatives played in advancing the creation of the intergovernmental commissions to study federal-state relationships, an effort which began in the late 1940s. While the potential for a coalition between conservatives and state and local elected officials existed, the evidence in Chapter 2 suggests it would not have come to fruition in the absence of intergovernmental commissions, which produced credible, usable information about policy problems, brokered linkages between conservatives and state and local officials, and provided policy entrepreneurs with strategic knowledge about viable policy alternatives. Scrutinizing the evidence presented in the last four chapters reveals the ways in which political entrepreneurs can build institutions to reconstruct politics, and the conditions under which those institutions are most likely to generate major reforms.

Policy Entrepreneurs and the Creation of Intergovernmental Commissions

Facing obstacles to retrenching or reforming major federal social programs, conservative policy entrepreneurs proposed the creation of commissions on intergovernmental relations. A common misperception about both the U.S. Commission on Intergovernmental Relations (CIR) and the Advisory Commission on Intergovernmental Relations (ACIR) is that they were either conceived within the Eisenhower Administration or by state and local officials.⁵ Instead, what the documentary evidence shows is that congressional conservatives were the architects of the idea and were instrumental in forming the coalitions that led to its enactment. Policy entrepreneurs like

⁵ See for example Carl W. Stenberg, "An ACIR Perspective on Intergovernmental Institutional Development," *Public Administration Review* 71 (2, 2011): 169–176; Douglas B. Harris, "Dwight Eisenhower and the New Deal: The politics of preemption." *Presidential Studies Quarterly* 27 (2, 1997): 333–342; James A. Stever, "The Growth and Decline of Executive-Centered Intergovernmental Management," *Publius: The Journal of Federalism* 23 (1, 1993): 71–84; Bradley H. Patterson, "Teams and Staff: Dwight Eisenhower's Innovations in the Structure and Operations of the Modern White House," *Presidential Studies Quarterly* 24 (2, 1994): 277–298; Peter H. Odegard, "Freedom and Federalism," *National Civic Review* 51 (11, 1962): 598–603; James L. Sundquist and David W. Davis, *Making Federalism Work* (Washington, DC: The Brookings Institution, 1969), 7–8.

Sen. John Bricker (R–OH) intended the CIR to produce reports that challenged the constitutional legitimacy of New Deal reforms. Yet Bricker and his colleagues also realized the value of building a broader coalition for reform by blending their request for a review and recommendation of the “proper allocation” of functions between federal and state governments with those introduced by state and local officials, who favored a commission that would improve awareness of their argument that increased federal taxation was strangling their capacity to generate revenue.

This coalition was enough to support the creation of a commission, yet persistent differences of opinion between conservatives and state and local officials, as well as within each group of actors, suggests that it is unlikely that the reform ideas generated that commission generated would have emerged in its absence. Additionally, individual intergovernmental organizations, and certainly coalitions of these organizations were hardly the kind of independent legislative forces in the late 1940s and early 1950s that could have brought the commission to fruition on their own. It is not likely, then, that the CIR would have been established without the energies of Republicans and Southern Democrats between the 80th and the 83rd Congresses to hold the coalition behind the CIR together and keep the need for a commission on the agenda. Indeed, only under unified Republican government during the 83rd Congress was the CIR finally enacted.

What differentiated the creation of the ACIR from its predecessor is that the CIR had by 1955 already laid groundwork for reform; in no small way, it had allowed policy entrepreneurs to frame intergovernmental relations as an issue on which Congress should play a “watchdog” role. Chapter 3 shows, after the temporary CIR wrapped up its work in 1955, the chairman of House Subcommittee on Intergovernmental Relations, Rep. Lawrence Fountain (D–NC), used the Commission’s final report as the basis for an unprecedented number of hearings on intergovernmental relations in major cities across the country that led to the creation of a permanent ACIR. While state and local officials and members of the Eisenhower Administration favored the ACIR’s creation, Fountain’s hearings provided the focal point for state and local officials who supported the bill to mobilize their own members of Congress in its favor. More importantly, Fountain was the author and major advocate for the ACIR’s initiating legislation. And though other members of Congress, including the freshman Senator Edmund Muskie (D–ME), eventually helped to promote the Commission after the 1958 election, their actions came well after Fountain had set the agenda for reform.

Information and Reframing

Intergovernmental commissions were most successful at reframing federalism issues as problems of intergovernmental relations that the elected branches of government should attend to (or refrain from attending to) when they generated information that was widely perceived as credible and useful to policymakers. As Chapter 2 suggests, though conservatives dominated the CIR’s study committees under the leadership of both Clarence Manion and Meyer Kestnbaum, the two leaders’ contrasting styles of generating policy information dramatically affected the CIR’s ability to reframe the issue of federalism. Manion’s constitutional approach to the issue of centralization and his refusal to deploy the Commission’s research capacity gave policymakers few opportunities to act

and his ideological posture nearly undermined the organization's public credibility. Kestnbaum was surely not the kind of leader that conservatives wanted to see guide the CIR, but he nevertheless helped them to effectively repackage their ideas by putting the research staff to full use, conducting surveys of state and local officials and evaluations of intergovernmental programs. This approach did not give conservatives the opportunity to challenge the constitutional legitimacy of New Deal programs, but it did give congressional policy entrepreneurs an action point, and allowed them to dramatically increase their attention to issues of intergovernmental relations.

In the years that followed, the ACIR's capacity to produce information would also reinforce the organization's ability to broker relationships and accumulate strategic knowledge about policy reforms by allowing stakeholders to identify opportunities for mutually beneficial action. Chapter 4 showed, for instance, the commission's extensive ongoing research and recommendations on fiscal policy allowed conservative policy entrepreneurs to reframe "the crisis of the cities" in the summer of 1967 as the product of fiscal imbalance and federal control. By the early 1970s, the ACIR was the definitive source of information on intergovernmental relations in the United States. When asked by the Nixon Administration to analyze the effects of a value-added tax to finance local schools, it single-handedly axed the plan not by pointing to its poor potential outcomes, but by suggesting that the proposal was not even appropriate for more sustained consideration.

Brokerage and Reform Coalitions

As with framing, coalition building between state and local elected officials and conservatives did not come naturally to intergovernmental commissions. Nor was it likely to emerge in their absence. Rather, commissions could only generate coalitions when they included all relevant stakeholders, allowed for meaningful participation and the search for common interests, and served as exclusive forums for deliberating over issues over intergovernmental relations. As evidenced in Chapter 2, the CIR under Clarence Manion's chairmanship precluded extensive opportunities for bargaining between conservatives and state and local officials. Especially given the short life span of the commission, this made long-term coalition building difficult. Similarly, the Joint Federal-State Action Committee established after the termination of the CIR failed to include key congressional stakeholders, who later refused to even take up its core policy recommendations.

By contrast, the permanent ACIR became an ideal site of brokerage in the 1960s. For conservatives, the ACIR offered policy-planning capacity unavailable in Congress and unique access to prominent intergovernmental stakeholders. For state and local officials, the ACIR offered the kind of policy expertise and access to congressional lawmakers that their own national associations could not offer. Since the Commission was permanent, it allowed these actors to negotiate with one another on multiple issues over long stretches of time. By 1968, these negotiations resulted in major grant-in-aid reforms requiring greater scrutiny of federal categorical grants, both in Congress and the states.

As a site of brokerage, the ACIR also ensured that its informational studies would

be perceived as useful by policymakers and that its policy alternatives would be acted upon. In the 1970s, for example, the Commission acted as the central point of coordination between state and local officials and the Nixon Administration on the issue of general revenue sharing. Indeed, not only had the ACIR been essential in the promotion of fiscal imbalance as a policy issue, it led the way in promoting what was arguably the most significant reform of the day in addressing that issue.

By the 1980s, the political landscape had changed in ways that weakened the ACIR as a broker. In particular, there developed a separate set of conservative intergovernmental organizations like the American Legislative Exchange Council (ALEC) and the President's Advisory Committee on Federalism (PACF), which mirrored the ACIR in certain ways but advocated for a more stringent policy of retrenchment in the form of federal "turnbacks" of fiscal responsibility for low-income social programs to the states. This directly contrasted with the ACIR's own set of "sorting out" recommendations, yet by this point the ACIR was no longer the principal site of intergovernmental policy deliberation; as a result, it was unable to build coalitions between conservatives and state and local officials on fiscal reforms.

Strategic Knowledge and Alternatives

Finally, intergovernmental commissions built up a reservoir of strategic knowledge about viable policy alternatives over time. Much over time did they allow conservative policy entrepreneurs to develop, test, and refine policy ideas. During the 1950s, the temporary nature of the CIR and its rocky start under Clarence Manion made it difficult for the organization to generate the kind of usable knowledge policy entrepreneurs like Roger Freeman needed to promote reforms. As the CIR wrapped up its deliberations, Freeman and his colleagues worried about policy ideas being "locked away in the vault." By contrast, the ACIR was able to more quickly adapt to new policy environments, analyzing new intergovernmental programs as they emerged and making recommendations for reform. In 1966, the ACIR was the first and only organization to produce a full-length analysis of the War on Poverty's implementation. Unsurprisingly, conservative policy entrepreneurs within the Republican Coordinating Committee's task forces found the ACIR's studies useful and quickly deployed them in successfully promoting alternatives to Great Society programs. Often, this involved challenging other partisan elites who did not share the same perspective on intergovernmental reform.

The ACIR's ability to generate successful reforms further reinforced its value as a site of brokerage and a source of policy information. By 1969, ACIR-generated ideas like block grants and revenue sharing were at the top of the Nixon Administration's list of priorities. Once these programs were initially enacted, the ACIR served as a monitor for reform and recommended refinements to block grants that aimed at preventing the "recategorization" as well as changes to the intergovernmental review process for categorical grants established by OMB Circular A-95. In both cases, ACIR recommendations were implemented during the Reagan Administration's first two years in office.

Finally, despite the breakdown in brokerage, the ACIR provided crucial assistance to conservative policy entrepreneurs by developing options for intergovernmental

mandate reform, an issue that had previously been restricted to the judicial branch. In the 1980s and early 1990s, the approach to intergovernmental reform first advocated by the ACIR—a broadly applicable review of the prospective cost of intergovernmental mandates—became central to the priorities of both intergovernmental interest groups and congressional conservatives in the 103rd and 104th Congress. This resulted in a major reform that, while not placing a moratorium on mandates, has given state and local officials a greater opportunity to raise objections to new mandates when they are proposed, a reform which has had the effect of greatly depressing Congress’s mandating behavior.

Intergovernmental commissions thus were engines of conservative federalism reforms in the postwar period. Their effectiveness, however, was not predicated on giving conservatives a platform for disclaiming the constitutional legitimacy of federal programs or even generating their ideal reforms. It depended instead on their identification of concrete problems and solutions that appealed to multiple stakeholders. In the next sections, I consider the implications of these findings for wider literatures on conservatives and the activist state, the evolving politics of federalism, and theories of major reform.

II. Conservatives and the Activist State

The evidence in this study has important implications for how we think about conservatives’ relationship to the activist state. First, and most directly, this study suggests that understanding conservatives’ confrontation with the activist state in the 1960s and 1970s requires a better appreciation of institutional changes that occurred during the late 1940s and early 1950s. Whereas prior scholarship either treats conservatives’ approach to intergovernmental relations as a constant from the New Deal onward or a reaction to the dilemmas of the Great Society, the evidence here suggests otherwise.⁶ Intergovernmental commissions initiated in the 1950s gave conservatives access to unique evidence about policy problems and coalitional possibilities as well as a sense of the kinds of policy alternatives that engendered wider support among important interest groups. The archival record clearly shows that conservatives made deliberate and effective use of these materials in order to craft the appeals, coalitional efforts, and policy alternatives that were essential to the New Federalism.

Second, this study shows that even prior to the 1960s, conservatives were beginning to abandon a stance of repudiation or obstruction towards the activist state and, as Stephen Skowronek puts it, began to “offer policies that promise to do the same thing better than to propose restructuring governmental commitments altogether.”⁷ Yet, just as

⁶ Michael K. Brown, *Race, Money and the American Welfare State*; Joe Soss, Richard Fording, and Sanford Schram, *Disciplining the Poor: Neoliberal Parteralism and the Persistent Power of* ; Timothy J. Conlan, *From New Federalism to Devolution: Twenty-five Years of Intergovernmental Reform* (Brookings Institution Press, 1998); A. James Reichley, *Conservatives in an Age of Change: The Nixon and Ford Administrations*; Bruce Wallin, *From Revenue Sharing to Deficit Sharing*.

⁷ Stephen Skowronek, “An Attenuated Reconstruction,” 348–363.

the reforms promoted by intergovernmental commissions did not yield a reduction in the federal government's commitments over time, as some entrepreneurs hoped, nor did these reforms result in a mirror image of a vigorous federal government applied business-friendly federal economic development projects, such as the Interstate Highway System and the Saint Lawrence Seaway project.⁸ Rather, by showing conservatives evidence of policy problems, coalitional opportunities, and viable policy alternatives, intergovernmental commissions led conservatives to craft reforms that enhanced the role of state elected officials in the implementation of federal programs. These included general-purpose grants and requirements for intergovernmental grant review that improved the capacity of elected officials in those governments to challenge so-called "picket fence" relationships between federal and state administrators, as well as between federal agencies and local interest groups. Conservatives also advocated measures for intergovernmental consultation and mandate review that enhanced the visibility of state and local governments' concerns with a growing federal government. Together, these measures raised the transaction costs of successfully implementing categorical grants and intergovernmental mandates, even if they did not eliminate their benefits.

Finally, this study speaks to a broader literature on how institutional innovations affected conservatives' engagement with the activist state. Recent scholarship on the rise of a conservative "counterrevolution" in American politics has paid close attention to *non-governmental* institutions, including philanthropic foundations and think tanks, and their efforts at creating an "alternative governing coalition" to challenge the liberal state.⁹ Yet conservatives did not always operate in isolation from government institutions. Rather, consistent with research by Joanna Grisinger, evidence in this study shows that conservatives' success also depended on institutional innovations *within* the federal government.¹⁰ Intergovernmental commissions, unlike think tanks and philanthropic foundations, were uniquely disposed to give conservatives inside look at the failures of the activist state and access to knowledge about the identities and preferences of possible coalition partners.

III. Between a Cooperative and Opportunistic Politics of Federalism

By examining the politics of intergovernmental commissions, this study also adds a new wrinkle to our understanding of how the politics of American federalism evolved in the postwar period. Scholars like John Kincaid, Timothy Conlan, and Bruce McDowell have

⁸ David Mayhew, "The Long 1950s as a Policy Era," in *The Politics of Major Policy Reform in Postwar America*, eds. Jeffrey Jenkins and Sidney Milkis (New York: Cambridge University Press, 2014), 27–48; See also Douglas Harris, "Dwight Eisenhower and the New Deal: The Politics of Preemption."

⁹ Kim Phillips-Fein, *Invisible Hands: The Making of the American Conservative Movement from the New Deal to Reagan* (New York: W.W. Norton, 2009); Steven Teles, *The Rise of the Conservative Legal Movement* (Princeton, NJ: Princeton University Press, 2008); See also Donald Critchlow, *The Conservative Ascendancy: How the GOP Right Made Political History* (Cambridge, MA: Harvard University Press, 2007).

¹⁰ Joanna Grisinger, *The Unwieldy American State: Administrative Politics Since the New Deal* (New York: Cambridge University Press, 2012).

referred to the CIR and the ACIR as hallmarks of a more “cooperative” federalism, in which members of Congress were attentive to the demands of intergovernmental interest groups.¹¹ They contrast this with an “opportunistic” form of intergovernmental relations that currently exists, in which actors of all ideological stripes have become more willing to use the power of the federal government, or insist on the dignity of the states, depending on which is most expedient for achieving their goals.

While these accounts are right to note that the federal system, much like Congress, has been increasingly subjected to forces of partisan polarization, the evidence here suggests opportunistic policy entrepreneurs are nothing new in the politics of federalism.¹² And while intergovernmental commissions gave intergovernmental interest groups the capacity to speak with one voice in Washington, their origins and operation contain strong elements of opportunism *and* cooperation. The politics of intergovernmental reforms is one of both partisanship *and* pluralism. As Chapters 2 and 3 illustrate, conservative policy entrepreneurs led the creation of intergovernmental commissions and strategically deployed their research output. Yet to create support for these institutions, and to use them to generate viable reforms, intergovernmental commissions had to operate as brokers with state and local officials who were far less interested in retrenchment than they were in concrete reforms to New Deal programs that improved their control and capacity to raise revenues.

The predominance of Southern Democrats and Republicans on these bipartisan commissions almost invariably meant that conservative majorities could set the agenda. Yet because the CIR and ACIR included state and local officials, they yielded benefits for both conservative opportunists and intergovernmental interests alike. Conservative policy entrepreneurs gained capacity for planning policy alternatives. As Chapter 4 shows, for instance, the Republican Coordinating Committee’s task forces made strategic usage of the ACIR’s policy alternatives as both “talking issues” to discredit Great Society programs and concrete policy alternatives that became the core of the Nixon Administration’s “New Federalism” initiatives. When it came to policy content, state and local governments and advocates of administrative decentralization fared better than fiscal conservatives, who gradually lost interest in block grants and revenue sharing, which were of greatest value as “wedge” alternatives. On regulatory reform, by contrast, the ACIR offered policy rewards to both conservatives and intergovernmental groups until its termination in 1996. By identifying cost analysis as a solution to intergovernmental mandates, the Commission helped to move what had been an issue for

¹¹ Bruce McDowell, “The Advisory Commission on Intergovernmental Relations in 1996: The End of an Era,” *Publius: The Journal of Federalism* 27 (2, 1997): 111–127; Tim Conlan, “From Cooperative to Opportunistic Federalism: Reflections on the Half-Century Anniversary of the Commission on Intergovernmental Relations,” *Public Administration Review* 66 (5, 2006): 663–676; John Kincaid, “The U.S. Advisory Commission on Intergovernmental Relations: Unique Artifact of a Bygone Era,” *Public Administration Review* 71 (2, 2011): 181–189; Carl W. Stenberg, “An ACIR Perspective on Intergovernmental Institutional Development,” *Public Administration Review* 71 (2, 2011): 169–176.

¹² Jessica Bulman-Pozen, “Partisan Federalism,” *Harvard Law Review* 127 (4, 2014): 1077–1146.

lawyers and judges into the elected branches, sparking reforms in the Reagan Administration as well as the 104th Congress.

What changed, then, was not conservatives' solicitude for state and local governments, which was *always* opportunistic, but their reliance on the ACIR to broker relationships with general intergovernmental interest groups. By the early 1980s, conservative advocates of budget cuts had constructed "mirror" institutions for coordinating intergovernmental relations including ALEC and the PACF, which advocated for the retrenchment of federal fiscal responsibilities for low-income social programs. Additionally, the increasingly robust policy research capacities of state and local government organizations, including the National Governors' Association, did not help to sustain the Commission. By 1996, the spread of policy research and action outside the ACIR left it open to a quick execution at the hands of the 104th Congress.

IV. Generative Institutions and Policy Change

Beyond this study's specific empirical implications, the evidence presented here has implications for theories of major reform in the fragmented American polity. Arguably the central puzzle in the study of American Political Development (APD) is how strategic political actors have reshaped government commitments in a system rich with institutional veto points. With respect to the *temporal scale of change*, my account has much in common with historical institutionalists like James Mahoney and Kathleen Thelen, who emphasize the importance of gradualism in the process of policy innovation.¹³ Regarding the *actors involved* in change, my account emphasizes the role of policy entrepreneurs in tying problems to solutions, but echoes the concerns of scholars like Eric Schickler, who suggests that successful reforms are "common carriers" for multiple intersecting interests and Matt Grossmann, who emphasizes that successful entrepreneurs are situated within mutualistic governing networks and occupy positions of institutional authority that allow them to take action to promote reform on one another's behalf.¹⁴

When it comes to the *process* of major policy reform, however, my study parts company with existing historical-institutional analyses in four ways. First, though much scholarship on gradual institutional change and policy entrepreneurship focuses on direct linkages between the entrepreneurs deliberate pursuit of substantive *policy* changes, I suggest that entrepreneurs facing substantial barriers to change have good reasons to focus their attention on creating institutions that sustain and subsidize policy entrepreneurship, generating the possibility of major reform by producing information, allowing major stakeholders to collaborate with one another, and accumulating strategic

¹³ James Mahoney and Kathleen Thelen, "A Theory of Gradual Institutional Change," in *Explaining Institutional Change: Ambiguity, Agency, and Power*, eds. James Mahoney and Kathleen Thelen (New York: Cambridge University Press, 2010), 1–38.

¹⁴ Eric Schickler, *Disjointed Pluralism: Institutional Innovation and the Development of the U.S. Congress* (Princeton, NJ: Princeton University Press 2001), 14; Matt Grossmann, *Artists of the Possible: Governing Networks and American Policy Change Since 1945* (New York: Oxford University Press, 2014).

knowledge about policy alternatives. Conservatives did not initially intend intergovernmental commissions to elicit reforms like revenue sharing and block grants. Yet by creating a forum for learning and bargaining, they were able to *discover* the political viability of these solutions.

Second, my account contributes to policy-process theories developed by John Kingdon, Frank Baumgartner, and Bryan Jones.¹⁵ These theories suggest that successful policy entrepreneurs can reframe problems through producing new information about policy problems or shifting the venue of debate. As James Q. Wilson puts it, the producers of this information do not simply “test, evaluate or (where bold) predict,” they “supply...the concepts by which we define important parts of reality.”¹⁶ Yet new sources of information and new venues that permit policy change may not always exist, and their creation may need to be induced through the creation of new institutions. By collecting and packaging information previously spread across federal and state agencies and buried in file cabinets, intergovernmental commissions translated disaggregated social phenomena into coherent concepts like “fiscal imbalance,” “categorization,” and “mandates” policymakers could take begin address. Though advisory bodies do not always pursue this course of action, such generative institutions *can* develop the ability compel the production of new information on policy problems and the expertise to package that information in ways that allow policymakers to take action.¹⁷

Third, this study contributes to work by Eric Schickler and Matt Grossmann that emphasizes the importance of “common carrier” innovations and “governing networks” in the politics of major reforms. When the raw materials for coalition building such as trust, time, and participatory incentives may be in short supply, this study shows that the entrepreneurs can take action to create institutions that bind loose associations of actors together. Generative institutions like the commissions in my study provide a neutral, inclusive venue for collaboration, participatory incentives and barriers to exit, and opportunities for participants to discover (and fail to discover) common interests and mutually satisfying policy alternatives. In so doing, they allow stronger reform coalitions to develop gradually over time. Brokerage is never guaranteed, however, and as the evidence in Chapter 5 shows, it can break down over time as the result of changes in the political and institutional environment.

Finally, I offer a friendly amendment to work by scholars like John Campbell, Daniel Béland, and Andrew Rich that focuses on the importance of expertise for

¹⁵ John Kingdon, *Agendas, Alternatives, and Public Policies* (Boston: Little, Brown, 1984); Frank Baumgartner and Bryan Jones, *Agendas and Instability in American Politics* (Chicago: University of Chicago Press, 1993), 36; See also Sarah B. Pralle, “Venue Shopping, Political Strategy, and Policy Change: The Internationalization of Canadian Forest Advocacy,” *Journal of Public Policy* 23 (3, 2003): 233–260.

¹⁶ James Q. Wilson, “‘Policy Intellectuals’ and Public Policy,” *The Public Interest* 64 (Summer, 1981): 44–45.

¹⁷ See, for example, Stéphane Lavertu and David L. Weimer, “Federal Advisory Committees, Policy Expertise, and the Approval of Drugs and Medical Devices at the FDA,” *Journal of Public Administration Research and Theory* 21 (2, 2011): 211–237.

contemporary policy entrepreneurship.¹⁸ I agree with these scholars that policy entrepreneurs must possess a significant level of specialization and policy expertise to be effective. Yet as Laura Evans argues, and as the evidence here shows, it is often prohibitively costly for policy entrepreneurs to develop the kind of expertise necessary to craft policy alternatives that are appropriate to the available opportunities for change, widely perceived as workable, and capable of generating a sufficient reform coalition.¹⁹ It may be even more difficult to monitor and incrementally refine policy alternatives once they are implemented.²⁰ Generative institutions allow entrepreneurs to distribute the costs of developing expertise. In the case of permanent government commissions, those costs become a matter of public record, rendering them susceptible to critique and the potential of erosion.²¹

V. When Generative Institutions Matter

An important caveat to my argument is that major reforms are too heterogeneous an outcome of interest to suggest that generative institutions are sufficient, or even necessary, to explain policy change in all cases.²² Nor is it the case that all attempts to build generative institutions will succeed at producing reform. Yet the evidence here suggests that generative institutions play a particularly important role in creating a more favorable environment for policy change when policy entrepreneurs seek to overcome entrenched opposition to reform and face steep costs to entrepreneurial activity. In these cases, it seems plausible that policy entrepreneurs interested in major reform would directly benefit from institutions that have only the authority to make problems public, to coordinate stakeholders, and to plan reforms, rather than the power to redistribute resources or compel actors' behavior. Not only might these institutions be easier to enact and defend, they may yield reforms that have a better chance at enactment in a system laden with veto points.

A brief look at three additional examples of generative institutions helps to substantiate this argument. One example of how generative institutions shape policy

¹⁸ See John Campbell and Ove K. Pedersen, "Knowledge Regimes and Comparative Political Economy," in *Ideas and Politics in Social Science Research*, eds. Daniel Béland and Robert Cox (New York: Oxford University Press, 2010), 167–190; Daniel Béland, "Ideas, Institutions, and Policy Change," *Journal of European Public Policy* 16 (5, 2009): 701–718; Andrew Rich, *Think Tanks, Public Policy, and the Politics of Expertise* (New York: Cambridge University Press, 2005).

¹⁹ Laura Evans, *Power from Powerlessness: Tribal Governments, Institutional Niches, and American Federalism* (New York: Oxford University Press, 2011), 6–7.

²⁰ Peter J. May, Ashley E. Jochim, and Joshua Sapotichne, "Constructing Homeland Security: An Anemic Policy Regime," *Policy Studies Journal* 39 (2, 2011): 285–307.

²¹ Bruce Allen Bimber, *The Politics of Expertise in Congress: The Rise and Fall of the Office of Technology Assessment* (Albany, NY: SUNY Press, 1996).

²² This argument is nicely evinced in Timothy Conlan, Paul Posner, and David Beam, *Pathways of Power: The Dynamics of National Policymaking* (Washington, DC: Georgetown University Press, 2014).

change can be found in the evolution of U.S. tobacco control efforts since the 1970s.²³ Encountering entrenched opposition to a stronger federal tobacco control framework, policy entrepreneurs worked with the National Cancer Institute to create the largest government initiative on tobacco control research in the world, the National Smoking and Tobacco Control Program (NSTCP) in 1985.²⁴ As Donley Studlar has shown, the NSTCP was effective at creating robust tobacco control regimes at the state and local level, yet it did not do so through exercising binding authority. Nor did it simply mirror prior efforts by the National Cancer Institute to show that smoking was the leading preventable cause of death in the United States. Rather, the NSTCP worked with state and local tobacco control coalitions to flood media outlets and policymakers' offices with high-profile studies on the dangers of smoking. It also became a key site in which state and local governments, tobacco control advocates, and cancer researchers coordinated their action on tobacco policy.²⁵ Further, the NSTCP developed comprehensive policy models like ASSIST, which identified ways that state and local governments could mitigate risks associated with smoking. As a result of its efforts at generating information, coalitions, and alternatives, the NSTCP gave tobacco control advocates leverage they would not have otherwise had to advocate for strong state and local reforms.²⁶

Second, generative institutions have also been central to policy changes in the arena of secondary education.²⁷ In the early 1980s, conservative policy entrepreneurs within the Reagan Administration, namely Secretary of Education Terrel Bell sought to reverse the pattern of spending on secondary education, yet encountered opposition from an entrenched constituency of teachers unions, administrations, school boards, and parents.²⁸ Finding little support for his efforts, Bell used his authority to appoint a national Commission on Excellence in Education, made up of university faculty, state and local school personnel, as well as business leaders and politicians. The Commission engaged in an 18-month study of the quality of secondary education in the United States, commissioning papers and holding meetings with educational leaders around the country.²⁹ By integrating its capacities for research and organizational brokerage, the Commission created a new policy paradigm that both differed in fundamental ways from those conservatives adopted beforehand and had built-in stakeholder support. Rather than focusing on the problem of a “federal intrusion” into local education policies, the Commission’s landmark final report, *A Nation at Risk*, built on a unique source of data on school evaluations that revealed shockingly low math and reading proficiency and pointed to a “rising tide of mediocrity”; out of these evaluations, the Commission

²³ This paragraph draws on Donley T. Studlar, “Cancer Prevention through Stealth: Science, Policy Advocacy, and Multilevel Governance in the Establishment of a “National Tobacco Control Regime” in the United States,” *Journal of Health Politics, Policy, and Law* 39 (3, 2014): 503–535.

²⁴ *Ibid.*, 510.

²⁵ *Ibid.*, 517–520.

²⁶ *Ibid.*, 520–527.

²⁷ This paragraph draws on Jal Mehta, “How Paradigms Create Politics: The Transformation of American Educational Policy, 1980–2001,” *American Educational Research Journal* 50 (2, 2013): 285–324.

²⁸ *Ibid.*, 295.

²⁹ *Ibid.*

prescribed reforms to improve teacher accountability.³⁰ As Jal Mehta has shown, the consequences of the Commission's report for the politics of accountability in secondary education were sizable. By crystallizing issues in a way that appealed to multiple, previously unaligned stakeholders, *A Nation at Risk* created not only a significant window of opportunity for state and federal reformers, but also a new coalition of professionals and politicians that spread reform ideas in the fifty states before reaching the national agenda in the 1990s.³¹

Finally, evidence from other policy areas reveals that generative institutions fail to realize their potential when they lack significant functions, especially that of organizational brokerage. One relevant example comes from the field of natural resources policy.³² After a series of intense drought seasons in the 1990s, policy entrepreneurs began to criticize Congress's "crisis response" approach to drought management as inadequate. Advocates of a comprehensive approach to planning and preparedness for droughts soon convinced Congress to establish a National Drought Policy Commission in 1998.³³ To its credit, the Commission had the support of the Secretary of Agriculture and drew heavily on the expertise of the National Drought Mitigation Center in Nebraska to produce studies recommending that Congress enact proactive mitigation policies and risk management techniques. Yet the Commission's membership contained no representatives from Congress and virtually no stakeholders from the agricultural sector. A crowded congressional agenda and opposition to comprehensive drought planning from the agriculture sector thus remained strong impediments to a risk-mitigation approach.³⁴ Despite some minor successes for risk-mitigation advocates, such as a national drought information system in 2006, Congress continues to embrace a crisis-and-response model of drought policy.³⁵

These three examples alone cannot offer definitive evidence that generative institutions are the only path to policy change when entrepreneurs face entrenched opposition and costly entrepreneurial activities. Further research is necessary to establish clearer scope conditions on how the policy and interest-group context, among other factors, affects the success of generative institutions. Nevertheless, these examples reinforce the findings in the empirical chapters, and strongly suggest that policy entrepreneurs will be more likely to affect policy change when they can rely on institutions that produce novel information on policy problems, bring together stakeholders, and accumulate strategic knowledge on policy alternatives.

³⁰ Ibid., 299–319.

³¹ Ibid.

³² Here I draw on Linda Courtenay Botterill, "Are Policy Entrepreneurs Really Decisive in Achieving Policy Change? Drought Policy in the USA and Australia." *Australian Journal of Politics & History* 49 (1, 2003): 61–74.

³³ Ibid., 105–106.

³⁴ Ibid., 106–107.

³⁵ Ibid., 107–110.

VI. Directions for Future Research

This study provides a starting point for a larger research program on generative institutions. From permanent advisory commissions, to temporary presidential task forces, and less formal public-private working groups for planning and developing demonstration projects, there are numerous potential cases of generative institutions in the landscape of American politics. Though not all of these institutions fit the definition of generative institutions I develop here, this study provides a starting point for investigating their role in reform processes. First, while the leverage in this study comes from analyzing changes in a single policy area (intergovernmental relations) over time, future studies should compare across policy areas to assess changes in the scope conditions of success. Given that important factors like policy complexity, the mobilization of interest groups, partisan cleavages, and the scale of national policy commitments are often issue-specific, cross-issue comparisons would greatly enrich the analysis provided here.³⁶

Second, while I have focused on the role of federal advisory commissions at generating institutional change, future research should catalogue other institutions with similar characteristics, be they public or private, centralized or decentralized, temporary or permanent. Doing so would provide a useful field guide for social scientists and a sounder basis for making empirical generalizations. On a practical level, it could also provide a toolkit of best (and worst) practices for would-be policy entrepreneurs.

Finally, it is vital that future research evaluate the effect of secular changes in politics on the requirements for successful generative institutions. Much about the organizational environment for high-level policy deliberation *has* changed since the ACIR was created.³⁷ Since interest groups and research organizations have developed strong partisan affiliations and a “teamlike” mentality, as Paul Pierson argues, “overlap in expert networks is minimal, because the experts are connected, loosely or tightly to the party’s dominant organized interest in the relevant policy domain.”³⁸

In this environment, it seems doubtful that government commissions will be able to speak authoritatively unless they find ways to generate unique and indispensable sources information about policy problems. Nor will short-lived task forces that proceed directly to address issues of deep partisan division, especially issues being discussed simultaneously in numerous other venues, be likely to sew the seeds of reform.³⁹ Indeed, in a context of legislative intransigence, generative institutions might be better suited to reshape societal actors’ understanding of policy problems rather than attempting to

³⁶ Matt Grossmann, “The Variable Politics of the Policy Process: Issue-area Differences and Comparative Networks,” *The Journal of Politics* 75 (1, 2013): 65–79.

³⁷ See, among others, Alan S. Gerber and Eric M. Patashnik, “Problem Solving in a Polarized Age: Comparative Effectiveness Research and the Politicization of Evidence-Based Medicine,” *The Forum* 8(1, 2010), Article 3.

³⁸ Paul Pierson, “Conclusion: Madison Upside Down,” in *The Politics of Major Policy Reform in Postwar America*, eds. Jeffery A. Jenkins, Sidney M. Milkis (New York: Cambridge University Press, 2014), 291.

³⁹ Emma Tessier, “The Perplexing Policy Status of the Simpson-Bowles Fiscal Package: A Case Study Analysis,” Unpublished ms., prepared for the Committee for a Responsible Federal Budget (April, 2014).

engage in legislative change directly.⁴⁰ As the case of the CIR shows, advisory bodies can be influential in reframing the discussion of policy problems, even if their suggested policy alternatives initially fall by the wayside.

There is much work to be done to expand our knowledge about generative institutions. But the story of intergovernmental commissions already teaches a valuable lesson. Entrepreneurs who encounter obstacles to changing policy in the short term may be better off making long-term investments, however small, in institutions that can realign politics. To be sure, generative institutions will not yield the kinds of changes that their creators may have imagined initially. That is precisely the point. By shedding new light on policy problems, bringing stakeholders together, and accumulating knowledge about alternatives, such institutions permit the kind of creativity and collaboration that major reform so often requires.

⁴⁰ Stephen Amberg, “Reconfiguring Industry Structure: Obama and the Rescue of Auto Companies,” in *Political Creativity: Reconfiguring Institutional Order and Change*, eds. Gerald Berk, Victoria Hattam, and Dennis Galvan (Philadelphia; University of Pennsylvania Press, 2013), 101–119.

References

Manuscript Collections

Bancroft Library, University of California, Berkeley (BANC)

Clark Kerr Papers

People for the American Way Collection of Conservative Political Ephemera

Bates College, Lewiston, ME (Bates)

Edmund S. Muskie Archives (EMA)

Don Nicoll, Oral History Interview, July 7, 1998

Larry Levinson, Oral History Interview, September 20, 2002

Dwight D. Eisenhower Presidential Library, Abilene, KS (DDEL)

Records of the U.S. Commission on Intergovernmental Relations

Meyer Kestnbaum Papers

Arthur Flemming Papers

Douglas Price Papers

Dwight D. Eisenhower Diaries, Whitman Files

White House Legislative Meetings Series

Cabinet Series

Confidential Series

Barry Goldwater Oral History Interview, June 15, 1967

Clarence Manion, Oral History Interview, April 2, 1976

John Bricker, Oral History Interview, January 18, 1968

Sherman Adams, Oral History Interview, June 19, 1970

Sinclair Weeks, Oral History Interview, February 2, 1967, April 13 1967, April 14, 1967

Hoover Institution Archives, Stanford, CA (Hoover)

Roger Freeman Papers

Richard Nathan Papers

John F. Kennedy Presidential Library, Boston, MA (JFKL)

Lee C. White Papers

Joseph S. Clark Oral History Interview, December 16, 1965.

Lyndon B. Johnson Presidential Library, Austin, TX (LBJL)

Administrative Histories

Phone Call Series

Farris Bryant, Oral History Interview, March 5, 1971.

William J. Clinton Presidential Library, Little Rock, AR (WJCL)
Domestic Policy Council Series

Ohio Historical Society, Columbus, OH (OHS)
John Bricker Papers
Ray Bliss Papers

Oregon Historical Society, Portland, OR (ORHS)
Edith Green Papers

University of Indianapolis Institute for Civic Leadership, Indianapolis, IN (UIND)
Richard Lugar Papers
William Hudnut Papers

University of North Carolina, Chapel Hill, NC (UNC)
Southern History Collection (SHC): L.H. Fountain Papers

University of Virginia, Charlottesville, VA (UVA)
Frank Bane Papers

Periodicals

Book of the States
Catalog of Federal Domestic Assistance
Chicago Daily Tribune
Commentary
Congressional Record
Congressional Quarterly Almanac
Harper's Magazine
Human Events
Intergovernmental Perspective
Los Angeles Times
National Journal
National Review
New York Times
Proceedings of the National Governors' Conference, 1930–1976
Proceedings of the National Governors Association, 1977–1996
Public Papers of the Presidents
Washington Post
Wall Street Journal
The New Republic

Reports and Government Documents

- ACIR. 1st–36th Annual Reports. Washington, DC: GPO, 1960–1995.
- ACIR. 1965 State Legislative Program. Washington, DC: GPO, 1965.
- ACIR. Governmental Structure, Organization, and Planning in Metropolitan Areas. Washington, DC: GPO, 1961.
- ACIR. A Staff Report: The Tax Reform Act of 1986 and its Effect on Both Federal and State Personal Income Tax Liabilities. Washington, DC: GPO, 1988.
- ACIR. An Agenda for American Federalism: Restoring Confidence and Competence. Washington, DC: GPO, 1980, 124.
- ACIR. Block Grants: A Comparative Analysis. Washington, DC: GPO, 1977.
- ACIR. Categorical Grants: Their Role and Design. Washington, DC: GPO, 1977.
- ACIR. Changing Public Attitudes on Governments and Taxes. ACIR, 1978.
- ACIR. Community Development: Workings of a Federal–Local Block Grant. Washington, DC: GPO, 1977.
- ACIR. Devolving Federal Program Responsibilities and Revenue Sources to State and Local Governments. Washington, DC: GPO, 1984.
- ACIR. Federal Grants: Their Effectiveness on State–Local Expenditures, Employment Levels, Wage Rates. Washington, DC: GPO, 1977.
- ACIR. Federal Regulation of State and Local Governments: The Mixed Records of the 1980s. Washington, DC: GPO, 1993.
- ACIR. Federal-State Coordination of Personal Income Taxes. Washington, DC: GPO, 1965.
- ACIR. Financing Schools and Property Tax Relief: A State Responsibility. Washington, DC: GPO, 1972.
- ACIR. Fiscal Balance in the American Federal System. Washington, DC: GPO, 1967.
- ACIR. Fiscal Discipline in the Federal System: National Reform and the Experience of the States. Washington, DC: GPO, 1987.
- ACIR. Governmental Structure, Organization, and Planning in Metropolitan Areas. Washington, DC: GPO, 1961.
- ACIR. Improving Federal Grants Management. Washington, DC: GPO, 1977.
- ACIR. Intergovernmental Problems in Medicaid. Washington, DC: GPO, 1968.
- ACIR. Intergovernmental Relations in the Poverty Program. Washington, DC: GPO, 1966.
- ACIR. Labor-Management Policies for State and Local Government. Washington, DC: GPO, 1969.
- ACIR. Measures of State and Local Fiscal Capacity and Tax Effort. Washington, DC: GPO, 1962.
- ACIR. Medicaid: Intergovernmental Trends and Opinions. Washington, DC: GPO, 1992.
- ACIR. Metropolitan Social and Economic Disparities: Implications for Intergovernmental Relations in Central Cities and Suburbs. Washington, DC: GPO, 1965.

- ACIR. Periodic Reassessment of Federal Grants-in-Aid to State and Local Governments. Washington, DC: GPO, 1961.
- ACIR. Reapportionment of State Legislatures. Washington, DC: GPO, 1962.
- ACIR. Regional Decision Making, New Strategies for Substate Districts. Washington, DC: GPO, 1973. 139–156
- ACIR. Regional Decision Making, New Strategies for Substate Districts. Washington, DC: GPO. 1973. 318.
- ACIR. Regionalism Revisited: Recent Areawide and Local Responses. Washington, DC: GPO, 1977. 19–22.
- ACIR. Regionalism Revisited: Recent Areawide and Local Responses. Washington, DC: GPO. 31–37.
- ACIR. Regulatory Federalism: Policy, Process, Impact, and Reform. Washington, DC: GPO, 1984.
- ACIR. Safe Streets Reconsidered: The Block Grant Experience, 1968–1975. Washington, DC: GPO. 1977.
- ACIR. Statutory and Administrative Controls Associated With Federal Grants for Public Assistance. Washington, DC: GPO, 1964.
- ACIR. Six Ways of Distributing a Federal Surplus. Washington, D.C.: GPO, 1964.
- ACIR. State Mandating of Local Expenditures. Washington, DC: GPO, 1978.
- ACIR. Summary and Concluding Observations. Washington, DC: GPO, 1978.
- ACIR. The Comprehensive Employment and Training Act: Early Readings from a Hybrid Block Grant. Washington, DC: GPO, 1977. 56.
- ACIR. Summary of Modification of Federal Grants-in-Aid for Public Health Services. Washington, DC: GPO, 1961.
- ACIR. The Intergovernmental Grants System as Seen by Federal, State, and Local Officials. Washington, DC: GPO, 1977.
- ACIR. The Partnership for Health Act: Lessons from a Pioneering Block Grant. Washington, DC: GPO, 1977.
- ACIR. The States and Intergovernmental Aids. Washington, DC: GPO, 1977.
- CIR. A Report to the President for Transmittal to the Congress. Washington, D.C.: GPO, 1955.
- Commission on Organization of the Executive Branch of Government. Overseas Administration–Federal-State Relations–Federal Research. Task Force Report #19. Washington, D.C.: GPO, 1949.
- General Accounting Office. Intergovernmental Relations: Changing Patterns in State-Local Finances. Washington, DC: GPO, 1992.
- Government Accountability Office. Federalism: Implementation of Executive Order 12612 in the Rulemaking Process. Washington, DC: GPO, 1999.
- Joint Federal-State Action Committee. Report to the President of the U.S. and to the Chairman of the Governors’ Conference. Washington, D.C.: GPO, 1957.
- Joint Federal-State Action Committee. Report to the President of the U.S. and to the Chairman of the Governors’ Conference. Washington, D.C.: GPO, 1960.
- Medicare Payment Advisory Committee. Annual Report to the Congress. Washington, DC: GPO, 2015.

- President's Commission on School Finance. *Schools People and Money*. Washington, DC: GPO, 1972.
- Office of Management and Budget. *A-95 Interim Assessment*. Washington, DC: GPO, 1977.
- Office of Management and Budget. *OMB Circular No. A-95: An Assessment*. Washington, DC: GPO, 1978.
- U.S. Congress. *A Record of Press Conference Statements made by Senator Everett McKinley Dirksen and Representative Gerald Ford for the Joint-Senate House Republican Leadership*. 90th Cong. 1st sess. 1967.
- U.S. Congress. House of Representatives. Committee of the Whole. *Report on the Intergovernmental Cooperation Act of 1968*. 90th Cong. 2nd sess. H Rep. 1845.
- U.S. Congress, House of Representatives, Committee on Banking and Currency, *Report on the Rat Extermination Act of 1967*, 90th Cong., 1st sess., H Rept. 474.
- U.S. Congress. House of Representatives. Committee on the Budget. *Task Force on State and Local Governments. State and Local Government Cost Estimate Act*. 86th Cong. 1st sess. 1979. H. Rept. 3697.
- U.S. Congress. House of Representatives. Committee on Education, and Labor. *Hearings on the Elementary and Secondary Education Amendments, Part I*. 90th Cong. 1st sess. 1967.
- U.S. Congress. House of Representatives. Committee on Education and Labor. *Report on Elementary and Secondary Education Amendments of 1967*. 90th Cong. 1st sess. H. Rept. 188.
- U.S. Congress. House of Representatives. Committee on Government Operations. *Staff Report on Replies from Federal Agencies to Questionnaires on Intergovernmental Relations*. 84th Cong. 2nd sess. 1956.
- U.S. Congress. House of Representatives. Committee on Government Operations, Subcommittee on Intergovernmental Relations. *Hearings on the Federal Role in Urban Affairs, Part 10*. 89th Cong. 2nd sess. 1966.
- U.S. Congress. House of Representatives. Committee on Government Operations. Subcommittee on Intergovernmental Relations. *Hearings on the Commission on Intergovernmental Relations and Commission on Executive Branch of Government*. 83rd Cong. 1st sess. May 12–15, 1953.
- U.S. Congress. House of Representatives. Committee on Government Operations. Subcommittee on Intergovernmental Relations. *Hearings on the Commission on Intergovernmental Relations and Commission on Executive Branch of Government*. 83rd Cong. 1st sess. May 22, 1953.
- U.S. Congress. House of Representatives. Committee on Government Operations, Subcommittee on Intergovernmental Relations. *Hearings on Federal–State–Local Relations*. 85th Cong. 1st sess. 1957.
- U.S. Congress. House of Representatives. Committee on Government Operations, Subcommittee on Intergovernmental Relations. *Hearings on Federal–State–Local Relations: Federal Grants-in-Aid*. 85th Cong. 2nd . sess. 1958.

- U.S. Congress. House of Representatives. Committee on Government Operations. Subcommittee on Intergovernmental Relations. Hearings on Federal–State–Local Relations: State and Local Officials. 85th Cong. 1st sess. 1957.
- U.S. Congress. House of Representatives. Committee on the Judiciary, Subcommittee No. 5. Anti-Crime Program Hearings. 90th Cong. 1st sess. 1967.
- U.S. Congress. Joint Economic Committee. Hearings on Revenue Sharing and Its Alternatives, Part I and II. 90th Cong. 1st sess. 1967.
- U.S. Congress. Joint Committee on Expenditures in Executive Departments. Hearings on National Commission on Intergovernmental Relations. 81st Cong. 1st sess. 1949.
- U.S. Congress. Joint Hearings Before the Intergovernmental Relations Subcommittees of the Committee on Expenditures in Executive Departments. National Commission on Intergovernmental Relations. 81st Cong. 1st sess. 1949.
- U.S. Congress. Joint Hearings Before the Intergovernmental Relations Subcommittees of the House Committee on Government Operations and Senate Government Operations. To Establish an Advisory Commission on Intergovernmental Relations. 86th Cong. 1st sess. 1959.
- U.S. Congress. Joint Hearings Before the Intergovernmental Relations Subcommittee of the House Committee on Government Operations and the Senate Government Operations. 86th Cong. 1st sess. 1959.
- U.S. Congress. Joint Hearings Before the House and Senate Subcommittees on Intergovernmental Relations. Five-Year Record of the Advisory Commission on Intergovernmental Relations and Its Future Role. 89th Cong. 1st sess. 1965.
- U.S. Congress. Senate. Committee on Government Operations. Report on the Intergovernmental Personnel Act of 1967. 90th Cong. 1st sess. 1967. S Rept. 701.
- U.S. Congress. Senate. Committee on Government Operations. Hearings on the Establishment of a Department of Urban Affairs and Housing. 87th Cong. 1st sess. 1961.
- U.S. Congress. Senate. Committee on Government Operations. The Federal System as Seen by State and Local Officials: Results of a Questionnaire Dealing with Intergovernmental Relations. 88th Cong. 1st sess. 1963.
- U.S. Congress. Senate. Committee on Government Operations. Subcommittee on Intergovernmental Relations. Congressional Review of Federal Grants-in-Aid. 87th Cong. 1st sess. 1961.
- U.S. Congress. Senate. Committee on Government Operations. Subcommittee on Intergovernmental Relations. Congressional Review of Federal Grants-in-Aid. 88th Cong. 2nd sess. 1964.
- U.S. Congress. Senate. Committee on Government Operations, Subcommittee on Intergovernmental Relations. The Federal System as Seen by State and Local Officials: Results of a Questionnaire Dealing with Intergovernmental Relations. 88th Cong. 1st sess. 1963.
- U.S. Congress. Senate. Committee on Government Operations. Subcommittee on Intergovernmental Relations. Hearings on Intergovernmental Cooperation Act and Related Legislation. 90th Cong. 2nd sess. 1968.

- U.S. Congress. Senate. Committee on Government Operations. Subcommittee on Intergovernmental Relations. Hearings on Creative Federalism, Part 2-B. 90th Cong. 1st sess. 1967.
- U.S. Congress. Senate. Committee on Government Operations. Subcommittee on Intergovernmental Relations. Intergovernmental Cooperation Act. 89th Cong. 1st sess. 1965.
- U.S. Congress. Senate. Committee on Government Operations. Subcommittee on Intergovernmental Relations. Problems of Federal–State–Local Relations. 87th Cong. 2nd sess. 1962.
- U.S. Congress. Senate. Report on Omnibus Crime Control and Safe Streets Act of 1967. 90th Cong. 2nd sess. 1968. S. Rept. 1097.
- White House Domestic Policy Council, Low-Income Opportunity Working Group. Up From Dependency. Washington, DC: GPO, 1986.

Books, Articles, and Theses

- Abbott, Carl. *Urban America in the Modern Age: 1920 to the Present*. New York: Wiley, 2006.
- Amberg, Stephen. “Reconfiguring Industry Structure: Obama and the Rescue of Auto Companies.” in *Political Creativity: Reconfiguring Institutional Order and Change*, edited by Gerald Berk, Victoria Hattam, and Dennis Galvan, 101-119. Philadelphia: University of Pennsylvania Press, 2013.
- Anderson, Totten J. “Pressure Groups and Intergovernmental Relations.” *The Annals of the American Academy of Political and Social Science* 359 (1, 1965): 116–126.
- Anderson, William. *The Nation and the States, Rivals or Partners?* Minneapolis, MN: The University of Minnesota Press, 1957.
- Ansell, Chris and Alison Gash. “Collaborative Governance in Theory and Practice.” *Journal of Public Administration Research and Theory* 18 (4, 2008): 543–71.
- Arnold, Peri. *Making the Managerial Presidency: Comprehensive Reorganization Planning, 1905–1996*. Lawrence, KS: University Press of Kansas, 1998.
- Balla, Steven J. “Interstate Professional Associations and the Diffusion of Policy Innovations.” *American Politics Research* 29 (3, 2001): 221–45.
- Bane, Frank. “Overlapping Taxes.” *Tax Executive* 15 (1, 1962): 17–22.
- Barber, Sortirios. 1976. “*National League of Cities v. Usery*: New Meaning for the Tenth Amendment?” *The Supreme Court Review* (1976): 161–182.
- Banks, Christopher P., and John C. Blakeman. *The U.S. Supreme Court and New Federalism: From the Rehnquist to the Roberts Court*. Lanham, MD: Rowman & Littlefield, 2012.
- Baumgartner, Frank and Bryan Jones. *The Politics of Information: Problem Definition and the Course of Public Policy in America*. Chicago: University of Chicago Press, 2015
- — —. *Agendas and Instability in American Politics*. Chicago: University of Chicago Press, 1993.

- Beckman, Norman and Marjorie Cahn Brazer. "Governments Galore." *National Civic Review* 52 (3,1963): 132–138.
- Beckman, Norman. "Our Federal System and Urban Development the Adaptation of form to Function," *Journal of the American Institute of Planners* 29 (3,1963): 152–67.
- Beckman, Norman. "Politics and Administration of Plan Implementation." *Highway Research Record* 102 (1965): 1–10.
- — —. "The Planner as a Bureaucrat." *Journal of the American Institute of Planners* 30 (4, 1964): 323–27.
- Beer, Samuel. "Adoption of General Revenue Sharing: A Case Study in Public-Sector Politics." *Public Policy* 24 (2, 1976): 127–195.
- Béland, Daniel and Alex Waddan. "Conservative Ideas and Social Policy in the United States." *Social Policy & Administration* 41 (7, 2007): 768–86.
- Béland, Daniel. "Ideas, Institutions, and Policy Change." *Journal of European Public Policy* 16 (5, 2009): 701–718.
- — —. "The Social Exclusion Discourse: Ideas and Policy Change." *Policy & Politics* 35 (1, 2007): 123–139.
- Bell, Daniel, ed. *The Radical Right: The New American Right*. Garden City, NY: Doubleday, 1963.
- Bell, Jonathan. *The Liberal State on Trial: The Cold War and American Politics in the Truman Years*. New York: Columbia University Press, 2004.
- Bensel, Richard Franklin. *The Political Economy of American Industrialization, 1877-1900*. New York: Cambridge University Press, 2000.
- Benson, George C.S. "Trends in Intergovernmental Relations." *The Annals of the American Academy of Political and Social Science* 359 (1, 1965): 1–9.
- Benson, George C.S., and Harold F. McClelland. *Consolidated Grants: A Means of Maintaining Fiscal Responsibility*. Washington, DC: American Enterprise Association, 1961.
- Benson, George C.S., and John Payne. *National Aid to Higher Education*. Washington, DC: American Enterprise Association, 1958.
- Berk, Gerald. *Louis Brandeis and the Making of Regulated Competition, 1900–1932*. New York: Cambridge University Press, 2012.
- Berle, Nancy. "Summary of Evaluations of Community Action Programs, 1966." Washington, DC: Legislative Reference Service, 1966.
- Beyle, Thad. "The Governor's Formal Powers: A View from the Governor's Chair." *Public Administration Review* (1968): 540–545.
- Biles, Roger. *The Fate of Cities: Urban America and the Federal Government, 1945–2000*. Lawrence, KS: University Press of Kansas, 2011.
- Bimber, Bruce Allen. *The Politics of Expertise in Congress: The Rise and Fall of the Office of Technology Assessment*. Albany, NY: SUNY Press, 1996.
- Boggs, Danny. "What the President Can Do By Executive Order." In *Mandate for Leadership: Policy Management in a Conservative Administration*, edited by Charles Heatherly, 1077–1093. Washington, DC: Heritage Foundation, 1981.
- Botterill, Linda Courtenay. "Are Policy Entrepreneurs Really Decisive in Achieving

- Policy Change? Drought Policy in the USA and Australia.” *Australian Journal of Politics & History* 49 (1, 2003): 61–74.
- Bjerre-Poulsen, Niels. *Right Face: Organizing the American Conservative Movement 1945–65*. Copenhagen: Museum Tusulanum Press, 2002.
- Brennan, Mary. *Turning Right in the Sixties*. Chapel Hill, NC: University of North Carolina Press, 1995.
- Brinkley, Alan. “The Problem of American Conservatism.” *The American Historical Review* 9 (2, 1994): 409–29.
- Broockman, David E. “The ‘Problem of Preferences’: Medicare and Business Support for the Welfare State.” *Studies in American Political Development* 26 (2, 2012): 83–106.
- Brown, George D. 1978. “Federal Funds and National Supremacy: The Role of State Legislatures in Federal Grant Programs.” *American University Law Review* 28 (3, 1978): 279–313.
- Brown, Michael K. *Race, Money, and the American Welfare State*. Ithaca, NY: Cornell University Press, 1999.
- — —. “Ghettos, Fiscal Federalism, and Welfare Reform.” In *Race and the Politics of Welfare Reform*, edited by Sanford Schram, Joe Soss, and Richard Fording, 57. Ann Arbor, MI: University of Michigan Press, 2003.
- Brudney, Jeffrey and Deil S. Wright. “The ‘Revolt in Dullsville’ Revisited: Lessons for Theory, Practice, and Research from the American State Administrators Project, 1964–2008.” *Public Administration Review* 70 (1, 2010): 26–37.
- Campbell, John and Ove K. Pedersen. “Knowledge Regimes and Comparative Political Economy,” in *Ideas and Politics in Social Science Research*, edited by Daniel Béland and Robert Cox, 167–190. New York: Oxford University Press, 2010.
- Carpenter, Daniel. *Reputation and Power: Organizational Image and Pharmaceutical Regulation at the FDA*. Princeton, NJ: Princeton University Press, 2010.
- Cho, Chung-Lae and Deil S. Wright. “Perceptions of Federal Aid Impacts on State Agencies: Patterns, Trends, and Variations Across the 20th century.” *Publius: The Journal of Federalism* 37 (1, 2007): 103–130.
- Choi, Yoo-Sung, Chung-Lae Cho, and Deil S. Wright. “Administrative Autonomy Among American State Agencies: An Empirical Analysis of Fragmentation and Functionalism.” *International Journal of Public Administration* 27 (6, 2004): 373–398.
- Clark, Tom S. “The Separation of Powers, Court Curbing, and Judicial Legitimacy.” *American Journal of Political Science* 53 (4, 2009): 971–989.
- Clark, Wayne A. *A History of the ACIR*. Washington, DC: Advisory Commission on Intergovernmental Relations, 1985.
- Clayton, Cornell W. and J. Mitchell Pickerill, “Guess What Happened on the Way to the Revolution? Precursors to the Supreme Court’s Federalism Revolution.” *Publius: The Journal of Federalism* 34 (3, 2004): 85–114.
- Cohen, Adam and Elizabeth Taylor. *American Pharaoh: Major Richard J. Daley: His Battle for Chicago and the Nation*. Boston: Little, Brown, 2001.

- Cole, Daniel H. and Carol S. Comer. "Rhetoric, Reality, and the Law of Unfunded Federal Mandates." *Stanford Law and Policy Review* 8 (2, 1997): 103–125.
- Cole, Richard L., Carl W. Stenberg, and Carol S. Weissert. "Reversing Directions: A Ranking and Comparison of Key U.S. Intergovernmental Events, 1960–1980 and 1980–1995." *Publius: The Journal of Federalism* 26 (2, 1996): 25–40.
- Collins, Robert M. *More: More: The Politics of Economic Growth in Postwar America* New York: Oxford University Press, 2000.
- Colman, William. "Helping Governments Work Together." *Georgia Municipal Journal* 15 (March, 1965): 6–8.
- Colman, William G. "Old Neglect Subsiding?" *National Civic Review* 53 (1, 1964): 10–13.
- — —. "The Role of the Federal Government in the Design and Administration of Intergovernmental Programs." *The Annals of the American Academy of Political and Social Science* 359 (1, 1965): 23–34.
- Conlan, Timothy J. "Federalism and Competing Values in the Reagan Administration." *Publius: The Journal of Federalism* 16 (1, 1986): 31.
- — —. "From Cooperative to Opportunistic Federalism: Reflections on the Half-Century Anniversary of the Commission on Intergovernmental Relations." *Public Administration Review* 66 (5, 2006): 663–676.
- — —. *From New Federalism to Devotion: Twenty-Five Years of Intergovernmental Reform*. Washington, DC: Brookings Institution Press, 1998.
- — —. "The Politics of Federal Block Grants: From Nixon to Reagan." *Political Science Quarterly* 99 (2, 1984): 247–70.
- Conlan, Timothy J., James D. Riggle, and Donna E. Schwartz. "Deregulating Federalism? The Politics of Mandate Reform in the 104th Congress." *Publius: The Journal of Federalism* 25 (3, 1995): 23–40.
- Conlan, Timothy J., Paul Posner, and David Beam. *Pathways of Power: The Dynamics of National Policymaking*. Washington, DC: Georgetown University Press, 2014.
- Conyers, John. "The Politics of Revenue Sharing." *Journal of Urban Law* 52 (1974): 61–81.
- Cook, Daniel and Andrew J. Polsky, "Political Time Reconsidered: Unbuilding and Rebuilding the State Under the Reagan Administration." *American Politics Research* 33 (4, 2005): 577–605.
- Cosman, Bernard and Robert Huckshorn, eds. *Republican Politics: The 1964 Convention and Its Aftermath for the Party*. New York: Praeger, 1968.
- Cox, Robert H. "The Social Construction of an Imperative: Why Welfare Reform Happened in Denmark and the Netherlands but not in Germany." *World Politics* 53 (3, 2001): 463–98.
- Critchlow, Donald. *The Conservative Ascendancy: How the GOP Right Made Political History*. Cambridge, MA: Harvard University Press, 2007.
- Davies, Gareth and Patrick McGuinn. "Freedom From Ignorance? The Great Society and the Evolution of the Elementary and Secondary Education Act of 1965." in *The Great Society and the High Tide of Liberalism*, edited by Sidney Milkis and

- Jerome Mileur, 289 – 319. Amherst, MA: University of Massachusetts Press, 2005.
- Derthick, Martha. *Keeping the Compound Republic: Essays on American Federalism*. Washington, DC: Brookings Institution Press, 2001.
- – –. “Crossing Thresholds: Federalism in the 1960s.” *Journal of Policy History* 8 (1, 1996): 64–80.
- Diamond, Sarah. *Roads to Dominion: Right-Wing Movements and Political Power in the United States*. New York: Guilford Press, 1995.
- Duxbury, Neil. *Patterns of American Jurisprudence*. New York: Oxford University Press, 1997.
- Ecker-Racz, L. Laszlo. “Federal-State Fiscal Imbalance: The Dilemma.” *Tax Executive* 17 (1, 1964): 281–289.
- Elazar, Daniel. “Forces Shaping the Federal System Today.” in *Emerging Issues in American Federalism: Papers Prepared for ACIR’s 25th Anniversary*. Washington, DC: GPO, 1985.
- Erie, Steven P. *Rainbow’s End: Irish-Americans and the Dilemmas of Urban Machine Politics, 1840–1965*. Berkeley, CA: University of California Press, 1988.
- Estering, Kevin M. “Buying Expertise: Campaign Contributions and Attention to Policy Analysis in Congressional Committees.” *American Political Science Review* 101 (1, 2007): 93–109.
- Evans, Laura. *Power from Powerlessness: Tribal Governments, Institutional Niches, and American Federalism*. New York: Oxford, 2011.
- Falleti, Tulia. “Infiltrating the State: The Evolution of Health Care Reforms in Brazil, 1964–1968.” In *Explaining Institutional Change: Ambiguity, Agency, and Powers*, edited by James Mahoney and Kathleen Thelen, 53–4. New York: Cambridge University Press, 2010.
- Farber, Stephen. 1983. “The 1982 New Federalism Negotiations: A View from the States.” *Publius: The Journal of Federalism* 13 (2, 1983): 33–38.
- Flanagan, Richard M. “Roosevelt, Mayors and the New Deal Regime: The Origins of Intergovernmental Lobbying and Administration.” *Polity* 31 (3, 1999): 415–450.
- – –. “Lyndon Johnson, Community Action, and the Management of the Administrative State.” *Presidential Studies Quarterly* 31 (4, 2001): 585–608.
- Flinter, David. *The Politics of Presidential Commissions*. Dobbs Ferry, NY, Transnational Publications, 1986. 64.
- Freeman, Roger A. *Federal Aid to Education, Boon or Bane?* Washington, DC: American Enterprise Association, 1954.
- – –. “Grants Without Strings.” *National Civic Review* 48 (June, 1959), 298.
- – –. “The Perils of Not Sharing.” *National Civic Review* 56 (8, 1967): 453–469.
- Fried, Richard M. *Nightmare in Red: The McCarthy Era in Perspective*. New York: Oxford University Press, 1991.
- Gailmard, Sean and Patty, John. *Learning While Governing: Information, Accountability, and Executive Branch Institutions*. Chicago: University of Chicago Press, 2012.

- Galvin, Daniel J. "The Transformation of Political Institutions: Investments in Institutional Resources and Gradual Change in the National Party Committees." *Studies in American Political Development* 26 (1, 2012), 50–70.
- . *Presidential Party-Building: Dwight D. Eisenhower to George W. Bush*. Princeton, NJ: Princeton University Press, 2010.
- Gerber, Alan S. and Eric M. Patashnik. 2010. "Problem Solving in a Polarized Age: Comparative Effectiveness Research and the Politicization of Evidence-Based Medicine." *The Forum* 8 (1, 2010): Article 3.
- Gerring, John. *Party Ideologies in America: 1828–1996*. New York: Cambridge University Press, 2001.
- Glenn, Brian J. "Conservatives and American Political Development." *Political Science Quarterly* 125 (4, 2010): 611–38.
- Glenn, Brian and Steven Teles, eds. *Conservatism and American Political Development*. New York: Oxford University Press, 2009.
- Goldwater, Barry. *The Conscience of a Conservative*. Shepardsville, KY: Victor Publishing Company, 1960.
- Gordon, George J. "Office of Management and Budget Circular A-95: Perspectives and Implications." *Publius* 4 (1, 1974): 45-68.
- Graham, Jr., Cole Blease. 1985. "State Consultation Processes after Federal A-95 Overhaul." *State & Local Government Review* 17 (2, 1985): 209.
- Graham, Hugh Davis. "The Ambiguous Legacy of American Presidential Commissions." *The Public Historian* 7 (2, 1985): 5–25.
- . *The Uncertain Triumph: Federal Education Policy in the Kennedy and Johnson Years*. Chapel Hill, NC: University of North Carolina Press, 2011.
- Graves, W. Brooke. "Maze of Governments." *National Civic Review* 49 (5, 1960): 230–237.
- . *The Coming Challenge in Federal-State Relations*. Washington, D.C.: U.S. Chamber of Commerce, 1967.
- Gray, Barbara. *Collaborating: Finding Common Ground for Multiparty Problems*. San Francisco, CA: Jossey-Bass, 1989.
- Grisinger, Joanna. *The Unwieldy American State: Administrative Politics Since the New Deal*. New York: Cambridge University Press, 2012.
- Grob, Gerald N. "Public Policy and Mental Illnesses: Jimmy Carter's Presidential Commission on Mental Health." *Milbank Quarterly* 83 (3, 2005): 425–456.
- Gross, Neil, Thomas Medvetz, and Rupert Russell. "The Contemporary American Conservative Movement." *Annual Review of Sociology* 37 (2011): 325-354.
- Grossman, Matt. *Artists of the Possible: Governing Networks and American Policy Change Since 1945*. New York: Oxford University Press, 2014.
- Grundy, Paul, Kay R. Hagan, Jennie Chin Hansen, and Kevin Grumbach. "The Multi-Stakeholder Movement for Primary Care Renewal and Reform." *Health Affairs* 29 (5, 2010): 791–98.
- Gullo, Theresa. "History and Evaluation of the Unfunded Mandates Reform Act." *National Tax Journal* 57 (3, 2004): 559–570.

- Haider, Donald. *When Governments Come to Washington: Governors, Mayors, and Intergovernmental Lobbying*. New York: Free Press, 1974.
- Hall, Jeremy L. "Moderating Local Capacity: Exploring EO 12372's Intergovernmental Review Effects on Federal Grant Awards." *Politics and Policy* 36(4, 2008): 594–612.
- Hall, Kermit. *The Magic Mirror: Law in American History*. New York: Oxford University Press, 2008.
- Harris, Douglas B. "Dwight Eisenhower and the New Deal: The Politics of Preemption." *Presidential Studies Quarterly* 27 (2, 1997): 333–342.
- Hendrickson, Kimberly. "Edward Banfield on the Promise of Politics and the Limits of Federalism." *Publius: The Journal of Federalism* 34 (4, 2004): 139–152.
- Hertel-Fernandez, Alexander. "Who Passes Business's 'Model Bills'? Policy Capacity and Corporate Influence in U.S. State Politics." *Perspectives on Politics* 12 (3, 2014): 582–602.
- Hoplin, Nicole and Ron Robinson. *Funding Fathers: The Unsung Heroes of the American Conservative Movement*. Washington, D.C.: Regnery Publishing, 2008.
- Howard, Christopher. *The Hidden Welfare State: Tax Expenditures and Social Policy in the United States*. Princeton University Press, 1999.
- Hughes, John and Anne Hughes. *Equal Education: A New National Strategy*. Bloomington: Indiana University Press, 1972.
- Hulse, Byron. *Everett Dirksen and His Presidents: How a Senate Giant Shaped American Politics*. Lawrence, KS: University Press of Kansas, 2000.
- Hunter, Robert P. "Labor." In *Mandate for leadership: Policy Management in a Conservative Administration*, edited by Charles Heatherly, 433–460. Washington, DC: Heritage Foundation, 1981.
- Innes, Judith. *Knowledge and Public Policy: The Search for Meaningful Indicators*. New Brunswick, NJ: Transaction Publishers, 1990.
- — —. *Social Indicators and Public Policy: Interactive Processes of Design and Application*. New York: Elsevier Scientific Publishing Company, 1975.
- Jacobs, Alan. "Process Tracing the Effects of Ideas." In *Process Tracing*, edited by Andrew Bennett and Jeff Checkel, 41–73. New York: Cambridge University Press, 2014.
- Jenkins, Jeffrey A., and Nathan W. Monroe. "Negative Agenda Control and the Conservative Coalition in the U.S. House." *The Journal of Politics* 76 (4, 2014): 1116–127.
- Jenkins, Jeffrey and Sidney Milkis. *The Politics of Major Policy Reform in Postwar America*. Cambridge: Cambridge University Press, 2014.
- Jensen, Jennifer M. and Jenna Kelkres Emery. "The First State Lobbyists: State Offices in Washington During World War II." *Journal of Policy History* 23 (2, 2011): 117–149.
- Jones, Bryan and Walter Williams. *The Politics of Bad Ideas: The Great Tax Cut Delusion and the Decline of Good Government in America*. New York: Pearson-Longman, 2008.

- Kabaservice, Geoffrey. *Rule and Ruin: The Downfall of Moderation and the Destruction of the Republican Party, From Eisenhower to the Tea Party*. New York: Oxford University Press, 2012.
- Katznelson, Ira. *Fear Itself: The New Deal and the Origins of Our Time*. New York: Liveright Publications, 2013.
- — —. “Was the Great Society a Lost Opportunity.” In *The Rise and Fall of the New Deal Order*, edited by Steve Fraser and Gary Gerstle, 185–211. Princeton, NJ: Princeton University Press, 1989.
- Katznelson, Ira, Kim Geiger, and Daniel Kryder. “Limiting Liberalism: The Southern Veto in Congress, 1933-1950.” *Political Science Quarterly* 108 (2, 1993): 283–306.
- Keller, Ann C. “Credibility and Relevance in Environmental Policy: Measuring Strategies and Performance among Science Assessment Organizations,” *Journal of Public Administration Research and Theory* 20 (2, 2010): 357–86.
- Kincaid, John. “The U.S. Advisory Commission on Intergovernmental Relations: Unique Artifact of a Bygone Era.” *Public Administration Review* 71 (2, 2011): 181–189.
- Kirp, David L. “Law, Politics, and Equal Educational Opportunity: The Limits of Judicial Involvement.” *Harvard Educational Review* 47 (2, 1977): 117–137.
- Klinkner, Philip. *The Losing Parties: Out-Party National Committees, 1956-1993*. New Haven, CT: Yale University Press, 1994.
- Lavertu, Stéphane and David L. Weimer, “Federal Advisory Committees, Policy Expertise, and the Approval of Drugs and Medical Devices at the FDA,” *Journal of Public Administration Research and Theory* 21 (2, 2011): 211–37.
- Lovell, Catherine. “Questioning ACIR Interpretations.” *Publius: The Journal of Federalism* 14 (3, 1984): 151.
- Lovell, Catherine H. and Hanria R. Egan. “Fiscal Notes and Mandate Reimbursement in the Fifty States.” *Public Budgeting & Finance* 3 (3, 1983): 3–18.
- Mahoney, Barry. “The Politics of the Safe Streets Act, 1965–1973.” Ph.D. Diss. Columbia University, 1976.
- Mahoney, James and Kathleen Thelen, eds. *Explaining Institutional Change: Ambiguity, Agency, and Power*. Cambridge: Cambridge University Press, 2009.
- — —. “A Theory of Gradual Institutional Change.” In *Explaining Institutional Change: Ambiguity, Agency, and Power*, edited by James Mahoney and Kathleen Thelen, 1–38. New York: Cambridge University Press, 2010.
- Manion, Clarence. *The Conservative American: His Fight for National Independence and Constitutional Government*. New York: Devin-Adair, 1964.
- Manvel, Allen D. “Financing Local Government in the 1960s: Past Trends and Future Prospects,” *Proceedings of the Annual Conference on Taxation*. Washington, DC: National Tax Association, 274–81.
- Marris, Peter and Martin Rein. *The Dilemmas of Social Reform*. New York: Atherton Press, 1969.
- Matusow, Allan. *The Unraveling of America: A History of Liberalism in the 1960s*. New York: Harper and Row, 1984.
- May, Peter J., Ashley E. Jochim, and Joshua Sapotichne. 2011. “Constructing Homeland

- Security: An Anemic Policy Regime.” *Policy Studies Journal* 39 (2, 2011): 285–307.
- Mayhew, David. *Congress: The Electoral Connection*. New Haven, CT: Yale University Press, 1974.
- — —. *Divided We Govern: Party Control, Lawmaking and Investigations, 1946–2002*. New Haven, CT: Yale University Press, 2005.
- — —. 2014. “The Long 1950s as a Policy Era,” in *The Politics of Major Policy Reform in Postwar America*. Edited by Jeffrey Jenkins and Sidney Milkis. New York: Cambridge University Press, 2014. 27–48
- McBreen, Maureen. *Federal Tax Sharing Proposals Introduced in the Early 90th Congress: Analysis and Summary*. Washington, DC: Legislative Research Service, 1967.
- — —. *Federal Tax Sharing: Historical Development and Arguments For and Against Recent Proposals*. Washington, DC: Legislative Research Service, 1967.
- McCubbins, Mathew D., Roger G. Noll, and Barry R. Weingast. “Administrative Procedures as Instruments of Political Control.” *Journal of Law, Economics, & Organization* 3 (2, 1987): 243–277.
- McDonald, A.F. “Review of George C.S. Benson, *The New Centralization*.” *American Political Science Review* 35 (October, 1941): 981.
- McDowell, Bruce D. “Advisory Commission on Intergovernmental Relations in 1996: The End of an Era.” *Publius: The Journal of Federalism* 27 (2, 1997): 111–127.
- McKay, David. *Domestic Policy and Ideology: Presidents and the American State, 1964–1987*. New York: Cambridge University Press, 1989.
- McLaughlin, Malcolm. “The Pied Piper of the Ghetto: Lyndon Johnson, Environmental Justice, and the Politics of Rat Control.” *Journal of Urban History* 37, no. 4 (2011): 541-561.
- Mehta, Jal. “How Paradigms Create Politics: The Transformation of American Educational Policy, 1980–2001.” *American Educational Research Journal* 50 (2, 2013): 285–324.
- Mergel, Sarah Katherine. *Conservative Intellectuals and Richard Nixon: Rethinking the Rise of the Right*. London: Palgrave, 2010.
- Middelstadt, Jennifer. *From Welfare to Workfare: The Unintended Consequences of Liberal Reform*. Durham, NC: University of North Carolina Press, 2005.
- Mier, Robert and Scott E. Gelzer. “State Enterprise Zones The New Frontier?.” *Urban Affairs Review* 18 (1, 1982): 39–52.
- Milazzo, Paul. *Unlikely Environmentalists: Congress and Clean Water: 1945–1972*. Lawrence, KS: University Press of Kansas, 2006.
- Milkis, Sidney and Jerome M. Mileur, eds. *The Great Society and the High Tide of Liberalism*. Amhest, MA: University of Massachusetts Press, 2005.
- Miller, Lisa. *The Perils of Federalism: Race, Poverty, and the Politics of Crime Control*. New York: Oxford University Press, 2008.
- Moffitt, Susan. *Making Policy Public: Participatory Bureaucracy in American Democracy*. New York: Cambridge University Press, 2014.

- Murphy, Jerome. "Title I of ESEA: The Politics of Implementing Federal Education Reform." *Harvard Educational Review* 41 (February, 1971): 35–63.
- Murray, Marie. "Federal Grants-in-Aid and Other Federal Expenditures Within the States: A Selected List of References, 1950–1966." Washington, DC: Legislative Reference Service, 1966.
- Mushkin, Selma J. "Barriers to a System of Federal Grants-in-Aid." *National Tax Journal* 13 (3, 1960): 193–218.
- Myers, Eugene A. and Randall Stout. "The Role of the States and Local Governments in National Fiscal Policy." *National Tax Journal* 10 (2, 1957): 171–175.
- Naftalin, Arthur. "Intergovernmental Tax Relations: A Progress Report from the ACIR." *Proceedings of the Annual Conference on Taxation*. Washington, DC: National Tax Association, 1963.
- Nathan, Richard. *The Plot That Failed: Nixon and the Administrative Presidency*. New York: John Wiley and Sons, 1975.
- Nicholas, Curt, Dave Bridge, and Adam M. Carrington. "Court Curbing via Attempt to Amend the Constitution: An Update of Congressional Attacks on the Supreme Court from 1955–1984." *Justice System Journal* 35 (4, 2014): 331–43.
- Nelson, Lyle. *Lessons from Medicare's Demonstration Projects on Disease Management and Care Coordination*. Washington, DC: Congressional Budget Office, 2012.
- O'Connor, Alice. *Poverty Knowledge: Social Science, Social Policy and the Poor in Twentieth Century U.S. History*. Princeton, NJ: Princeton University Press, 2007.
- Orren, Karen, and Stephen Skowronek. *The Search for American Political Development*. Cambridge: Cambridge University Press, 2004.
- Odegard, Peter H. "Freedom and Federalism." *National Civic Review* 51 (11, 1962): 598–603.
- Pal, Leslie. "Assessing Incrementalism: Formative Assumptions, Contemporary Realities," *Policy and Society* 30 (1, 2011): 29–39.
- Parmet, Herbert S. *Eisenhower and the American Crusades*. New Brunswick, NJ: Transaction Publishers, 1972.
- Patterson, Bradley H. "Teams and Staff: Dwight Eisenhower's Innovations in the Structure and Operations of the Modern White House." *Presidential Studies Quarterly* 24 (2, 1994): 277–298.
- Patterson, James T. *Congressional Conservatism and the New Deal: The Growth of the Conservative Coalition in Congress, 1933-1939*. Lexington, KY: University of Kentucky Press, 1967.
- — —. *Mr. Republican: A Biography of Robert A. Taft*. New York: Houghton Mifflin Harcourt, 1972.
- Patterson, James T. *The New Deal and the States: Federalism in Transition*. Santa Barbara, CA: Greenwood Press, 1981.
- Pearson, Kathryn and Eric Schickler. "Discharge Petitions, Agenda Control and the Congressional Committee System, 1929–76." *The Journal of Politics* 71 (4, 2009): 1238–56.
- Pemberton, William E. "Struggle for the New Deal: Truman and the Hoover Commission." *Presidential Studies Quarterly* 16 (3, 1986): 511-527.

- Phillips-Fein, Kim. "Conservatism: A State of the Field." *Journal of American History* 98 (3, 2011): 723–43.
- — —. *Invisible Hands: The Making of the American Conservative Movement from the New Deal to Reagan*. New York: W.W. Norton, 2009.
- Pierson, Paul. "Conclusion: Madison Upside Down." In *The Politics of Major Policy Reform in Postwar America*, edited by Jeffery A. Jenkins, Sidney M. Milkis, 282–302. New York: Cambridge University Press, 2014.
- — —. *Dismantling the Welfare State? Reagan, Thatcher, and the Politics of Retrenchment*. New York: Cambridge University Press, 1994.
- — —. "When Effect Becomes Cause: Policy Feedback and Political Change." *World Politics* 45 (4, 1993): 595–628.
- Piper, J Richard. *Ideologies and Institutions: American Conservative and Liberal Governance Prescriptions Since 1945*. Lanham, MD: Rowman and Littlefield, 1997.
- Plotke, David. *Building a Democratic Political Order: Reshaping American Liberalism in the 1930s and 1940s*. New York: Cambridge University Press, 1996.
- Polsby, Nelson W. *How Congress Evolves: Social Bases of Institutional Change*. New York: Oxford University Press, 2003.
- Posner, Paul L. *The Politics of Unfunded Mandates: Whither Federalism?* Washington, DC: Georgetown University Press, 1998.
- Pralle, Sarah B. "Venue Shopping, Political Strategy, and Policy Change: The Internationalization of Canadian Forest Advocacy." *Journal of Public Policy* 23 (3, 2003): 233–260.
- Prasad, Monica. "The Popular Origins of Neoliberalism in the Reagan Tax Cut of 1981," *Journal of Policy History* 24 (3, 2012): 351–83.
- Pritchett, Wendell. *Robert Clifton Weaver and the American City: The Life and Times of an Urban Reformer*. Chicago: University of Chicago Press, 2008.
- Randall, Susan. "Insurance Regulation in the United States: Regulatory Federalism and the National Association of Insurance Commissioners," *Florida State University Law Review* 26 (1998): 625–699.
- Reichley, James A. *Conservatives in an Age of Change: The Nixon and Ford Administrations*. Washington, DC: Brookings Institution Press, 1981.
- Reynolds, Harry J. "Foreword." *The Annals of the American Academy of Political and Social Science* 359 (1, 1965): ix–x.
- Rich, Andrew. *Think Tanks, Public Policy, and the Politics of Expertise*. New York: Cambridge University Press, 2005.
- Ritchey, Mark and Sean Nicholson-Crotty. "Blue Ribbon Commissions, Interest Groups, and the Formulation of Policy in the American States." *Policy Studies Journal* 43 (1, 2015): 70–92.
- Robins, Leonard. "The Plot That Succeeded: The New Federalism as Policy Realignment." *Presidential Studies Quarterly* 10 (1, 1980): 99–106.
- Roberts, Alasdair. "The Brownlow–Brookings Feud: The Politics of Dissent Within the Academic Community." *Journal of Policy History* 7 (3, 1995): 311–340.
- Robertson, David Brian. *Federalism and the Making of America*. London: Routledge,

- 2012.
- Rocco, Philip and Chloe Thurston. "From Metaphors to Measures: Observable Indicators of Gradual Institutional Change." *Journal of Public Policy* 34 (1, 2014): 35-62.
- Rocheffort, David and Roger W. Cobb. *The Politics of Problem Definition: Shaping the Policy Agenda*. Lawrence, KS: University Press of Kansas, 1994.
- Rogin, Michael Paul. *The Intellectuals and McCarthy: The Radical Specter*. Cambridge, Mass.: Harvard University Press, 1967.
- Rom, Mark. "The Family Support Act of 1988: Federalism, Developmental Policy, and Welfare Reform." *Publius: The Journal of Federalism* 19 (3, 1989): 57-73.
- Rothenberg, Irene Fraser, and George J. Gordon. "'Out With the Old, In With the New': The New Federalism, Intergovernmental Coordination, and Executive Order 12372." *Publius* 14 (3, 1984): 31-47.
- Rowlands, Diane, Barbara Lyons, and Jennifer Edwards. 1988. "Medicaid: Health Care for the Poor in the Reagan Era." *Annual Review of Public Health* 9 (1, 1988): 427-450.
- Russo, Philip A. "In Search of Intergovernmental Coordination: The A-95 Project Notification and Review System." *Publius* 12 (2, 1982): 49-62.
- Sabato, Larry. *Goodbye to Good-Time Charlie: The American Governorship Transformed*, 2nd ed. Washington, DC: CQ Press, 1983.
- Sanford, Terry. *Storm Over the States*. New York: McGraw Hill, 1967.
- Schickler, Eric. *Disjointed Pluralism: Institutional Innovation and the Development of the U.S. Congress*. Princeton, New Jersey: Princeton University Press, 2001.
- Schickler, Eric and Kathryn Pearson. "Agenda Control, Majority Party Power, and the House Committee on Rules, 1937-52." *Legislative Studies Quarterly* 34 (4, 2009): 455-491.
- Schneider, Gregory. *The Conservative Century: From Reaction to Revolution*. Lanham, MD: Rowman and Littlefield, 2009.
- Sheingate, Adam. "Institutional Dynamics and American Political Development." *Annual Review of Political Science* 17 (2014): 472-473.
- . "Political Entrepreneurship, Institutional Change, and American Political Development." *Studies in American Political Development* 17 (2, 2003): 185-203.
- Skocpol, Theda. "Government Activism and the Reorganization of American Civic Democracy." In *Activist Government and the Rise of Conservatism*, edited by Theda Skocpol and Paul Pierson, 39-67. Princeton, NJ: Princeton University Press, 2007.
- . "The Limits of the New Deal System and the Roots of Contemporary Welfare Dilemmas." In *The Politics of Social Policy in the United States*, edited by Margaret Weir, Ann Shola Orloff, and Theda Skocpol, 293-311. Princeton, NJ: Princeton University Press, 1988.
- Skok, James E. "Federal Funds and State Legislatures: Executive-Legislative Conflict in State Government." *Public Administration Review* (1980): 561-567.
- Skowronek, Stephen. "An Attenuated Reconstruction: The Conservative Turn in American Political Development." In *Conservatism and American Political*

- Development*, edited by Brian J. Glenn and Steven M. Teles, 348-363. New York: Oxford University Press, 2009.
- Smith, Mark A. *American Business and Political Power: Public Opinion, Elections, and Democracy*. Chicago: Chicago University Press, 2000.
- Soss, Joe, Richard Fording, and Sanford Schram. *Disciplining the Poor: Neoliberal Parteralism and the Persistent Power of Race*. Chicago: Chicago University Press, 2011.
- Sracic, Paul A. *San Antonio v. Rodriguez and the Pursuit of Equal Education: The Debate Over Discrimination and School Funding*. Lawrence, KS: University Press of Kansas, 2006.
- Stam, Jerome M. *Coordinating Federal Programs: the Case of Office of Management and Budget Circular A-95*. Washington, DC: GPO, 1980. 17–21.
- Stenberg, Carl W. “An ACIR Perspective on Intergovernmental Institutional Development.” *Public Administration Review* 71 (2, 2011): 169–176.
- Stever, James A. “The Growth and Decline of Executive-Centered Intergovernmental Management.” *Publius: The Journal of Federalism* 23 (1, 1993): 71–84.
- Studlar, Donley T. “Cancer Prevention through Stealth: Science, Policy Advocacy, and Multilevel Governance in the Establishment of a “National Tobacco Control Regime” in the United States.” *Journal of Health Politics, Policy, and Law* 39 (3, 2014): 503–535.
- Sulzner, George T. “The Policy Process and the Uses of National Governmental Study Commissions.” *The Western Political Quarterly* (1971): 438–448.
- Sundquist, James L. and David W. Davis. *Making Federalism Work*. Washington, DC: The Brookings Institution, 1969.
- Tananbaum, Duane. *The Bricker Amendment Controversy*. Ithaca, NY: Cornell University Press, 1988.
- Tani, Karen. *States of Dependency: Welfare Rights and American Governance, 1935–1965*. New York: Cambridge University Press, forthcoming.
- Teles, Steven. *The Rise of the Conservative Legal Movement*. Princeton, New Jersey: Princeton University Press, 2008.
- Teles, Steven and Timothy S. Prinz. “The Politics of Rights Retraction: Welfare Reform from Entitlement to Block Grant.” In *Seeking the Center: Politics and Policymaking at the New Century*, edited by Martin Levin, Marc Landy, and Martin Shapiro, 215-38. Washington, D.C.: Georgetown University Press, 2001.
- Tessier, Emma. “The Perplexing Policy Status of the Simpson-Bowles Fiscal Package: A Case Study Analysis.” Unpublished ms. Prepared for the Committee for a Responsible Federal Budget. April, 2014.
- Thompson, Frank J. *Medicaid Politics: Federalism, Policy Durability, and Health Reform*. Georgetown University Press, 2012.
- Thompson, Frank and Courtney Burke. “Executive Federalism and Medicaid Demonstration Waivers: Implications for Policy and Democratic Process.” *Journal of Health Politics, Policy and Law* 32 (6, 2007): 970–1004.
- Tushnet, Mark. “Why the Supreme Court Overruled National League of Cities.” *Vanderbilt Law Review* 47 (5, 1994): 1623–1656.

- Venters, Monoka, Meghan V. Hauptli, and Lora Cohen-Vogel. 2012. "Federal Solutions to School Fiscal Crises: Lessons from Nixon's Failed National Sales Tax for Education." *Educational Policy* 26 (1, 2012): 35–57.
- Wagner, Steven. *Eisenhower Republicanism: Pursuing the Middle Way*. DeKalb, IL: Northern Illinois University Press, 2006.
- Wallin, Bruce. *From Revenue Sharing to Deficit Sharing*. Washington, DC: Georgetown University Press, 1998.
- Warner, Richard R. "The Concept of Creative Federalism in the Johnson Administration." Ph.D. Diss. American University, 1970.
- Weaver, R. Kent and Bert A. Rockman, eds. *Do Institutions Matter?: Government Capabilities in the United States and Abroad*. Washington, DC: Brookings Institution Press, 1993.
- Weatherford, M. Stephen. "Presidential Leadership and Ideological Consistency: Were There "Two Eisenhowers" in Economic Policy?" *Studies in American Political Development* 16 (Fall, 2002): 111–137.
- Wechsler, Herbert. "The Political Safeguards of Federalism: The Rôle of the States in the Composition and Selection of the National Government." *Columbia Law Review* 54 (4, 1954): 543–560.
- Weed, Clyde. *The Nemesis of Reform: The Republican Party During the New Deal*. New York: Columbia University Press, 1994.
- Weible, Christopher M., Tanya Heikkila, and Paul A. Sabatier, "Understanding and Influencing the Policy Process," *Policy Sciences* 45 (1, 2012): 1–21.
- Weir, Margaret. "States, Race, and the Decline of New Deal Liberalism." *Studies in American Political Development* 19 (2, 2005): 157-172.
- Welborn, David W., and Jesse Burkhead. *Intergovernmental Relations and the American Administrative State: The Johnson Presidency*. Austin: University of Texas Press, 1989.
- Williams, Walter. *Honest Numbers and Democracy*. Washington, DC: Georgetown University Press, 1998.
- Williamson, Richard S. "A New Federalism: Proposals and Achievements of President Reagan's First Three Years." *Publius: The Journal of Federalism* 16 (1, 1986): 11–28.
- . "The 1982 New Federalism Negotiations." *Publius: The Journal of Federalism* 13 (2, 1983): 11–32.
- . *Reagan's Federalism: His Efforts to Decentralize Government*. Lanham, MD: University Press of America, 1982.
- Wilson, Gregory S. *Communities Left Behind: The Area Redevelopment Administration, 1945–1965*. Knoxville, TN: University of Tennessee Press, 2009.
- Wiltsee, Herbert. "Organization and Work of the Council of State Governments." *American Bar Association Journal* 39 (5, 1953): 417–419.
- Wolanin, Thomas R. *Presidential Advisory Commissions: Truman To Nixon*. Madison, WI: University of Wisconsin Press, 1975.
- Wolman, Harold. "The Reagan Urban Policy and its Impacts." *Urban Affairs Review* 21 (3, 1986): 311–335.

- Womack, Steven Douglas. "Charles A. Halleck and the New Frontier: Political Opposition Through the Madisonian Model." Ph.D. diss., Ball State University, 1980.
- Wright, Deil S. "The Advisory Commission on Intergovernmental Relations: Unique Features and Policy Orientation." *Public Administration Review* 25 (3, 1965): 193–202.
- — —. *Understanding Intergovernmental Relations*. Scituate, MA: Duxbury Press, 1978.
- Zegart, Amy. 2004. "Blue Ribbons, Black Boxes: Toward a Better Understanding of Presidential Commissions," *Presidential Studies Quarterly* 34 (2, 2004): 366–393.

Appendix

**Table A1. Bill Introductions Proposing a Commission
on Intergovernmental Relations, 1949–1953**

<i>Year</i>	<i>Bill</i>	<i>Sponsor</i>
1949	S.J.R. 41	O’Conor (D–MD)
1949	S. 767	Bricker (R–OH)
1949	S. 810	Hendrickson (R–NJ)
1949	H.R. 3184	Harvey (R–IN)
1949	H.R. 3944	Secret (D–OH)
1949	H.R. 4507	Bonner (D–NC)
1949	S. 1946	Taylor (D–ID)
1949	S. 362	Butler (R–NE)
1950	S. 3147	Humphrey (D–MN)
1950	H.R. 2389	Boggs (R–DE)
1950	H.R. 8843	Mitchell (D–WA)
1950	H.R. 7904	Coudert (R–NY)
1950	H.R. 8714	Donohue (D–MA)
1951	H.R. 13	Boggs (R–DE)
1951	H.R. 41	Coudert (R–NY)
1951	H.R. 391	Secret (D–OH)
1951	S. 437	Hendrickson (R–NJ)
1951	S. 487	Bricker (R–OH)
1951	S. 836	Humphrey (D–MN)
1951	S. 1946	Taylor (D–ID)
1951	S. 1146	O’Conor (D–MD)
1951	H.R. 3303	Hoffman (R–IL)
1951	H.R. 3683	Dawson (D–IL)
1951	H.R. 5251	Ostertag (R–NY)
1951	S. 1519	Nixon (R–CA)
1952	H.R. 7130	Rains (D–AL)
1952	S. 3482	Ferguson (R–MI)
1953	H.R. 121	Coudert (R–NY)
1953	H.R. 302	Hoffman (R–IL)
1953	H.R. 1300	Ostertag (R–NY)
1953	H.R. 1606	Rains (D–AL)
1953	H.R. 1838	Ostertag (R–NY)
1953	H.R. 3183	Mills (D–AK)
1953	H.R. 3603	Donohue (D–MA)
1953	H.R. 4406	Halleck (R–IN)
1953	H.R. 4848	Harvey (R–IN)
1953	H.R. 4851	Rains (D–AL)

1953	H.R. 280	Goodwin (R-MA)
1953	H.R. 469	Keating (R-NY)
1953	H.R. 992	Brown (R-OH)
1953	H.R. 1248	Davis (R-WI)
1953	H.R. 2089	Elliott (D-AL)
1953	S. 1514	Taft (R-OH)
1953	S. 536	Hendrickson (R-NJ)
1953	S. 788	Humphrey (D-MN)

Table A2. Bill Introductions on Periodic Review and Termination of Grants-in-Aid

<i>Year</i>	<i>Bill</i>	<i>Sponsor</i>
1961	H.R.7802	Fountain (D-NC)
1961	H.R.7804	Ikard (D-TX)
1961	H.R.7805	Smith (D-IA)
1961	H.R.8310	King (D-UT)
1962	H.R.12565	Fountain (D-NC)
1963	H.R.7159	Fountain (D-NC)
1961	H.R.7803	Dwyer (R-NJ)
1961	H.R.7808	Curtis (R-MO)
1961	H.R.7814	Pelly (R-WA)
1961	H.R.7892	Seely-Brown (R-CT)
1961	H.R.7929	Langen (R-MN)
1961	H.R.8534	Lindsay (R-NY)
1962	H.R.11797	Dwyer (R-NJ)
1962	H.R.12566	Dwyer (R-NJ)
1962	H.R.12567	Langen (R-MN)
1963	H.R.6176	Goodell (R-NY)
1963	H.R.7160	Dwyer (R-NJ)
1963	H.R.7289	Lindsay (R-NY)
1965	H.R.332	Lindsay (R-NY)
1965	H.R.6118	Fountain (D-NC)
1965	H.R.6119	Dwyer (R-NJ)
1965	H.R.6292	Dow (D-NY)
1965	H.R.6641	Keogh (D-NY)
1965	H.R.6550	Matthews (D-FL)
1965	H.R.7386	Fuqua (D-FL)
1965	H.R.7410	MacKay (D-GA)
1965	H.R.7625	Fraser (DFL-MN)
1965	H.R.7745	Hansen (D-WA)
1965	H.R.8016	Machen (D-MD)
1965	H.R.7966	Saylor (R-PA)
1965	H.R.8004	Corman (D-CA)
1965	H.R.8170	Callan (D-NE)
1965	H.R.8288	Krebs (D-NJ)

1965	S.561	Muskie (D-ME)
1965	H.R.6424	Frelinghuysen (R-NY)
1966	H.R.12853	Schmidhauser (D-IA)

Table A3. Bill Introductions on Revenue Sharing and Block Grants

<i>Year</i>	<i>Bill</i>	<i>Sponsor</i>
1958	H.R. 12080	Laird (R-WI)
1960	H.R. 10881	Derwinski (R-IL)
1960	H.R. 12251	Bray (R-IN)
1960	S. 2831	Cotton (R-NH)
1960	S. 2832	Cotton (R-NH)
1961	H.R. 1809	Laird (R-WI)
1961	H.R. 4412	Derwinski (R-IL)
1961	S. 293	Cotton (R-NH)
1962	H.R. 11292	Byrnes (R-WI)
1962	H.R. 11306	Herlong (D-FL)
1962	H.R. 12392	Collier (R-IL)
1963	H.R. 631	Laird (R-WI)
1965	H.R. 1562	Laird (R-WI)
1965	H.R. 5567	Derwinski (R-IL)
1965	H.R. 11603	Morse (R-MA)
1965	H.R. 11600	Ellsworth (R-KS)
1965	H.R. 11586	Halpern (R-NY)
1965	H.R. 10828	Multer (D-NY)
1965	H.R. 11553	Lindsay (R-NY)
1965	H.R. 11535	Reid (R-NY)
1965	H.R. 11690	McDade (R-PA)
1965	H.R. 11633	Todd (D-MI)
1965	H.R. 11735	Dwyer (R-NJ)
1965	H.R. 11770	Donohue (D-MA)
1965	S.1011	Cotton (R-NH)
1965	H.R. 16269	Culver (D-IA)
1965	S.2619	Javits (R-NY)
1965	S.561	Muskie (D-ME)
1966	H.R. 13212	Pelly (R-WA)
1966	H.R. 16947	Battin (R-MT)
1966	H.R. 16784	Shriver (R-KS)
1966	H.R. 17998	Fraser (DFL-MN)
1966	H.R. 18052	Wyatt (R-OR)
1966	S.3405	Miller (R-IA)
1966	H.R. 16903	Berry (R-SD)