

**Citizenship in the Time of Budgeting:
Municipal Reform and the Remaking of the American State**
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In late January 2010, House Budget Committee Chair, Rep. Paul Ryan (R-WI) released a set of recommendations he called, "A Roadmap for America's Future." The document presented "a choice of two futures": the "progressive" status quo defined by the unfreedom of a debt-burdened, clunky, overreaching state, and the "true alternative" of a market economy unrestrained by regulation, and the restoration of lean and thrifty state.¹ Though Ryan's budget manifesto has undergone multiple iterations, its incendiary core set off the latest, longest round of an increasingly familiar drama, channeling the practiced and organized *ressentiment* of rightwing Congressional insurgents to battle "progressives" to the point of legislative dysfunction and even state shutdown. It would be no exaggeration to say that in the past four years (and, perhaps, three decades) American politics has been defined by such political budget crises at all levels, federal, state, and local.

How is that the budget became so central to American politics? While its salience has come to honor Harold Lasswell's tired characterization of politics as a contest over "who gets what, when and how,"² the budget, like all patterns and institutions, also has a history. Indeed, there *was* no Federal Budget to fight over until 1921, when President Harding signed the Budget and Accounting Act (BAA), replacing Treasury Department auditors with an executive-led Government

¹ <http://roadmap.republicans.budget.house.gov/plan/>

² Harold D. Lasswell. *Who Gets What, When and How* (New York: Peter Smith Publishers, 1990).

Accountability Office that rendered expenditures legible and governable.³ There is a longer story to tell about how the budget has changed and the offices and institutions have come to regulate it since 1921.⁴ (One of the most seismic shifts must concern the way in which *balancing* budgets⁵ has become such a primary political, moral, and even aesthetic preference⁶– and, in many municipalities, a legal requirement, too.⁷) But this study encounters the budget in an earlier moment, as the centerpiece of a reform movement that led to passage of the BAA, which Stephen Skowronek has called a "watershed in the creation of a new American state."⁸

My story focuses on Progressive reformers in New York City at the turn of the century. Like many Progressive era parastate organizations, The New York Bureau of Municipal Research (BMR) sought to export methods from the developing human and management sciences to the understanding and improvement of chaotic and transforming political institutions. The BMR was the first prominent and influential organization to champion the scientific management of state expenditure.⁹ Its auditing methods went on to be adopted and expanded in states and cities across North America, and its wellspring of research helped create the

³ Carolyn Webber and Aaron Wildavsky. *A History of Taxation and Expenditure in the Western World* (New York: Simon & Schuster, 1986), 405.

⁴ One significant work covering this period is James O'Connor's *The Fiscal Crisis of the State* (New York: Transaction Publishers, 2001).

⁵ Joseph White, "Making "Common Sense" of Federal Budgeting," in *Public Budgeting: Policy, Process, and Politics*, ed. Irene Rubin (London: M.E. Sharp, 2008).

⁶ James D. Savage. *Balanced Budgets and American Politics* (Ithaca: Cornell University Press, 1990).

⁷ Carol W. Lewis, "Budgetary Balance: The Norm, Concept, and Practice in Large U.S. Cities," in *Public Budgeting: Policy, Process, and Politics*, ed. Irene Rubin (London: M.E. Sharp, 2008).

⁸ Stephen Skowronek. *Building a New American State: The Expansion of National Administrative Capacities, 1877-1920* (Cambridge: Cambridge University Press, 1982), 207.

⁹ Jane S. Dahlberg. *The New York Bureau of Municipal Research: Pioneering in Government Administration* (New York: New York University Press, 1966).

first school of public administration.¹⁰ Its director, Frederick A. Cleveland, sat on the Taft Commission on Economy and Efficiency that drafted what would eventually become the 1921 BAA.¹¹ In short, there is no better place to look for the beginnings of budget reform in the United States.

Today, when Presidents or Mayors, Governors or Parties release their budget proposals, we understand them for what they are: arch political documents that rearrange and obscure numbers to fit priorities and purposes. But the budget did not start that way. The early reformers saw themselves as employing what the historian of science Theodore Porter might call a “strategy of communication”¹² or “technology of distance”¹³ to dispassionately present the quantified, internal organization of the growing state, and to empower an executive authority with its supervision and implementation.

With the budget instrument, these reformers aimed to both produce and publicize a new form of accountable state power: to generate a document that formalized and rationalized state operation in a way that would be legible to those citizens tasked with steering its direction. Members of the BMR went further, circulating newsletters and sponsoring lavish public fairs about the New York City budget. For them, the public, executive budget wasn’t just a technical innovation for bureaucrats; it could also condition new forms of citizenship and participation.¹⁴

¹⁰ Bruce D. McDonald III, “The Bureau of Municipal Research and the Development of a Professional Public Service,” in *Administration & Society* (2010).

¹¹ Dahlberg, 197

¹² Theodore Porter. *Trust in Numbers: The Pursuit of Objectivity in Science and Public Life* (Princeton: Princeton University Press, 1996), viii.

¹³ *ibid.*, ix

¹⁴ Dahlberg, 32

This aspiration should seem surprising and extravagant. It also seems to challenge some dominant stories about how and why the Progressive movement transformed American political economy. A tendency favored by the “organizational school” has been to view the movement (especially in municipal reform) as staffed by “corporate liberals” intent on using the language of “business efficiency”¹⁵ to “render government more responsive to corporate requirements.”¹⁶ Many agree that Progressive budget reformers had their democratic impulses hamstrung by elitist, corporate visions of mass participation.¹⁷ Others, meanwhile, claim that popular engagement efforts were sincere¹⁸ and aimed to demonstrate the relationship between state efficiency and the delivery of necessary services.¹⁹ In short, scholars have scrutinized whether budget reformers were with “the people” or “the interests.” This isn’t the wrong question but it also isn’t the most interesting question.

As I show, balancing and economizing were not stated priorities of the BMR; they were not, in our parlance, “austerocrats.” And a sincere ambition to cultivate democratic accountability seems at odds with an interpretation that narrowly equates reformers with their class sociology. Indeed, I agree with Irene Rubin, who

¹⁵ David W. Eakins, “The Origins of Corporate Liberal Policy Research, 1916-1922: The Political-Economic Expert and the Decline of Public Debate,” in *Building the Organizational Society: Essays on Associational Activities in Modern America*, ed. Jerry Israel (New York: Free Press, 1972), 167.

¹⁶ Samuel P. Hays, “The Politics of Reform in Municipal Government in the Progressive Era,” *The Pacific Northwest Quarterly*, Vol. 55, No. 4 (Oct., 1964).

¹⁷ Jonathan Kahn. *Budgeting Democracy: State Building and Citizenship in America, 1890-1928* (Ithaca: Cornell University Press, 1997).

¹⁸ Hindy Lauer Schachter. *The Role of Citizen Owners in Making a Better Government* (Albany: State University of New York Press, 1997).

¹⁹ Martin J. Schisel. *The Politics of Efficiency: Municipal Administration and Reform in America, 1880-1920* (Berkeley: University of California Press, 1977), 116.

argues that that budget practices borrowed more from public administrators and academics than fledgling corporate accounting structures (and that, indeed, corporations would come to borrow accounting methods from the state).²⁰ But critics in the organizational school were not entirely wrong about the Progressives.

On one hand, the democratic promise may have been overstated, favoring informationals and elite education over mass participation.²¹ Yet the budget instrument did something radical, too: it produced a new object for interpretation and judgment. The quantified and classified state *embodied* in an executive budget generated an enticing vision of social and administrative institutions that transformed the political imaginary, broadcasting fantasies of popular sovereign administration in ways that changed the way we talk and think about the American state – a process of a piece with centralizing and administering the “island communities” so characteristic of the nineteenth century.²² Previous writers have neglected this transformation; I make it central to my theoretical consideration.

I. One of the challenges associated with telling the history of a policy instrument as ubiquitous, even naturalized, as the budget is that it is very hard to imagine a political order (let alone *our* political order) functioning with it. But while European states with strong, centralized administrative power imposed budgets by the early nineteenth century, American federal, state, and municipal governments

²⁰ Irene S. Rubin, “Who Invented Budgeting in the United States?” in *Public Budgeting: Policy, Process, and Politics*, ed. Irene Rubin (London: M.E. Sharp, 2008).

²¹ Dahlberg, 33

²² Robert Wiebe. *The Search for Order, 1877-1920* (New York: Hill & Wang, 1966).

survived un-budgeted until the early part of the twentieth.²³ According to Carolyn Webber and Aaron Wildavsky, America possessed an “extraordinary...power, though informal, ability to coordinate expenditure and revenue.”²⁴ Americans were concerned, sometimes zealously, with federal economic policy (recall Jacksonian paranoia about debt peonage²⁵) but all levels of government lacked a central, organizing device to process where money came from and how it was spent.

The informal checks on appropriations that characterized the old regime could not survive the transition to industrial capitalism. Or so thought the educated, middle class reformers living in cities like New York, Chicago, and Cleveland.²⁶ They witnessed firsthand the transformation of social and economic relations underway, and they saw, in particular, the inadequacy of the status quo: political machines, party bosses, and the tangled, ineffective municipal institutions that they supported. In light of expanding industrial power, waves of immigration, and social crises, the state needed to be rebuilt to effectively serve and survive. Reform could no longer

²³ In a footnote to *Democracy in America, Volume 1*, for instance, Tocqueville compares French and American budgets: “A talented writer...very justly reproaches the Americans for the sort of confusion which exists in the accounts of the expenditure in the townships....when I see the communes of France, with their excellent system of accounts....when, on the other hand, I observe the activity, the information, and the spirit of enterprise which keep society in perpetual labor, in those American townships whose budgets are drawn up with small method and with still less uniformity, I am struck by the spectacle...” Alexis de Tocqueville. *Democracy in America* (Chicago: University of Chicago Press, 2012), 87-8.

²⁴ Webber and Wildavsky, 369

²⁵ *ibid.*, 372-4

²⁶ Kenneth Finegold: *Experts and Politicians: Reform Challenges to Machine Politics in New York, Cleveland, and Chicago* (Princeton: Princeton University Press, 1995).

come by merely “throwing the rascals out.” Transformation (and *durable* transformation²⁷) was required of the governing institutions themselves.

Previous attempts at reform had attempted to undertake civic education or, ultimately, elect the “right people” (typically professional or patrician). Good Government Clubs had formed through the 1890s, the National Municipal League (1894) and Citizens’ Union (1897) being among the largest and most influential. And while by 1896 more than 245 organizations had attended the National Conference on Good City Government,²⁸ these organizations were largely ineffective, their efforts being too voluntarist and ad hoc to survive election cycles.

The New York Bureau of Municipal Research emerged in 1906-7 as a more ambitious alternative. Its founders were arch Progressives.²⁹ All Midwesterners, Dr. William H. Allen, Henry Bruere, and Dr. Frederick A. Cleveland (the “ABCs”) had prestigious academic and professional affiliations (college at the University of Chicago for Allen and Bruere; graduate school in political science at the University of Pennsylvania for Allen and Cleveland, who shared the same adviser, Simon Patten³⁰; Harvard Law School for Bruere); Allen did his field work for the New Jersey State Charities Aid Association before joining Cleveland at the New York Association for Improving the Condition of the Poor (AICP)³¹; after law school Bruere was appointed director of the Bureau of City Betterment (an offshoot of the reform-

²⁷ Here I have in mind Skowronek and Orren’s definition of development as “a durable shift in governing authority.” Stephen Skowronek and Karren Orren. *The Search for American Political Development* (Cambridge: Cambridge University Press, 2004).

²⁸ Dahlberg, 5

²⁹ Eidon J. Eisenach. *The Lost Promise of Progressivism* (Lawrence: University of Kansas Press, 1994), 31-40.

³⁰ Dahlberg, 8

³¹ Kahn, 40-46

minded Citizens' Union).³² Together, the "ABCs" came to organize the New York Bureau of Municipal Research to, in Cleveland's words, address a general "lack of intelligent consideration of the needs of the people and of what the government is doing to meet those needs."³³ With backgrounds in social science, charity, law, and accounting (Cleveland) the trio represented a tableau of Progressive impulses. The official goals comprising the BMR's incorporating document are practically a ledger of those impulses:

- 1) To promote efficient and economical government.
- 2) To promote the adoption of scientific methods of accounting and of reporting the details of municipal business, with a view to facilitating the work of public officials.
- 3) To secure constructive publicity in matters pertaining to municipal problems.
- 4) To collect.
- 5) To classify.
- 6) To analyze.
- 7) To correlate.
- 8) To interpret.
- 9) To publish facts as to the administration of municipal government.³⁴

The list bears the hallmarks of administration, accounting, and scientific problem solving, all artifacts of a movement incited by Frederick Winslow Taylor's theories of scientific management.³⁵ Historian Samuel Haber described the thirst for efficiency inspired by Taylor as a "secular great awakening," an emerging confidence in the human ability to understand, organize, and improve institutions and practices,

³² Dahlberg, 8-9

³³ *ibid.*, 6

³⁴ *ibid.*, 20-1

³⁵ Dennis R. Judd and Todd Swanstrom. *City Politics: Private Power and Public Policy* (New York: Longman, 1998), 94-5.

from the shop floor to city hall.³⁶ The development of the human sciences and profusion of experts coincided with an attempt to fully understand and disenchant the causal dynamics of social relations. According to historian Samuel P. Hays, “large-scale systems began [to grow] in modern America at the same time as acceleration began in man’s imagination about what could be understood empirically.”³⁷

Allen, Bruere, and Cleveland were exactly the kinds of experts to master a “large-scale system” like city government. In framing their research as a dispassionate knowledge project motivated by passionate concern, the BMR implicitly and explicitly disavowed any partisan political agenda. Indeed, the poet and editor Richard Watson Gilder suggested the “Research” appellation for precisely this reason: “we shall be more apt,” he wrote “to make reform permanent by the scientific inquiry, scientific information and scientific investigation of such a [Bureau].”³⁸ Science could not be political; scientific experts were, axiomatically, beholden to nothing but their desire for truth, knowledge, answers, and, finally, solutions to the problems at hand.

As an organization devoted to problem-solving and changing municipal government, the BMR balanced two goals: (institutional) diagnosis and (civic) transformation. Deploying social science surveys (qualitative interviews and quantitative analysis) the BMR could uncover institutional dysfunction and mismanagement, but municipal reform would be incomplete absent some more

³⁶ Haber ix

³⁷ Israel, ed. 3

³⁸ Dahlberg, 15

permanent check on broken, nepotistic, boss-led government. The BMR needed to change institutions *and* minds. According to its incorporating mission statement, the purpose was to:

Ascertain and publish facts concerning city needs and governmental means of protecting them; and to furnish information upon which the public may base sound judgment regarding problems of municipal government and to increase the number who reason from fact to policy.³⁹

“[Ascertaining]...facts” was straightforward. Starting with their first report, *How Manhattan Is Governed*, the Bureau would survey officials and insiders, monitoring workflow in city departments, and applying the tools of social science and administration to draw connections between decisions and power, institutions and results.⁴⁰

As the BMR expanded its operations and as other Bureaus adopted its methods, the survey method provided the raw data for any report about how a city worked according to four main axes: “administration, educational and aesthetic, social, and institutional.” The survey, according to the BMR, “conveyed the idea of the inclusive, objective, and scientific approach...It went at the city government much as an engineer goes at a tract of land before laying out the streets, sewers and water pipes.”⁴¹

Bureau science was, like engineering or architecture, a practical science with aesthetic inclinations for simplicity, flexibility, and design.⁴² In municipalities such

³⁹ *ibid.*, 34

⁴⁰ *ibid.*, 17

⁴¹ *ibid.*, 54

⁴² Indeed, some scholars have noted the conspicuous influence and presence of engineers and

as Manhattan that had been dominated by parties, judges, and bosses, re-engineering institutions meant repossessing power from wards to city hall and creating visible, legible veins of information sharing to increase accountability. In Henry Bruere's words: "to substitute for fractional, isolated, incomplete, ill-equipped and cross-purpose social welfare work a city-wide, community planned and community executed program of citizen well-being."⁴³ The policy recommendations were clear: "increasing the power of administrative authorities, supplying them with more information, and tightening up the lines of control within their bailiwicks."⁴⁴ In practice this often meant charter revision, the establishment of commission government, and the reorganization of municipal departments under a politically accountable, competent, administratively empowered executive authority.⁴⁵ To that end, BMR reformers were of a piece with movements pushing for strong commissions, city managers, and other methods of reorganization.

BMR policy suggestions were unified by an desire to improve the quality, efficiency, and accessibility of services in order to bring "decent tenements, clean streets, attractive parks, pure milk, and educational opportunities" to cities, rather than "the glad hand and cheap bounty in the form of a Thanksgiving turkey, shoes,

architects in the Progressive movement. Cf. engineers and intellectuals teamed up to build technocracy. Donald Stabile. *Prophets of Order: The Rise of the New Class and Socialism in America* (Boston: South End Press, 1984), 11. Alvin W. Goudner. *The Future of Intellectuals and the Rise of the New Class* (New York: Seabury Press, 1979).

⁴³ Henry Bruere, "Efficiency in City Government," in *Efficiency in City Government*, published by The Annals of the American Academy of Political and Social Science, Vol. XLI, Whole No. 130 (May, 1912), 3.

⁴⁴ Schisel, 119

⁴⁵ Dahlberg, 75

or burial money.”⁴⁶ The slate of reforms recommended to Manhattan and, by the early 1920s, dozens of other cities,⁴⁷ were significant but none had the power or influence of the budget: combining scientific analysis, scientific organization, and an ambition to popular engagement and civic renewal.

II. By one influential definition, budgeting is “concerned with translating financial resources into human purposes.”⁴⁸ But budgets do more than apply a light administrative filter to the income and outflow of capital. Published budgets, in particular, arrange human labor, and they do so in ways that uncover, untangle, and publicize institutional connections and relationships that might otherwise be hidden or obscure.⁴⁹ For the BMR, budgets also had to do with citizenship. Cleveland and, to an even greater extent, Allen, expected that a highly public budget procedure could establish a new kind of relationship between citizen-taxpayers and their state.

The BMR was not the first reform organization to push for public, organized accounting, but it was the most successful. The reformers’ interest grew out of the report *How Manhattan Is Governed*, in which they undertook an analysis of the New York City Health Department. They found waste, “doubling workers,” misestimates, dead payroll, and structural disorganization. Taxpayers and citizens, they thought,

⁴⁶ Bruce D. McDonald III, “The Bureau of Municipal Research and the Development of a Professional Public Service,” in *Administration & Society* (2010) 42, 818.

⁴⁷ By 1922 the Bureau had produced reports for dozens of government entities: counties (Essex, New Jersey; Monroe, New York), states (including Delaware, South Dakota, Illinois, and Vermont), and cities (New Orleans; San Francisco; East St. Louis, Ill.; Salem; Montreal. “Is your city meeting its financial and improvement needs? A Plan.” Prepared by the Bureau of Municipal Research. 261 Broadway, New York City. May 16, 1922. Pp. 7-8.

⁴⁸ Webber and Wildavsky, 18

⁴⁹ An animating spirit of the Progressive movement can be characterized by a desire for exactly the visibility, clarity, and control that the budget instrument promises.

deserved better but were getting a bad deal from an inefficient government.⁵⁰ The AICP, where Cleveland and Allen were previously colleagues, was a social welfare organization that had experimented with budgets, “[declaring an] intention or policy...to govern the year...made up, not by guessing, but by forecasting with the aid of former years’ classified experience the probable expense of each department during the next year.”⁵¹

The AICP experience found its way into the BMR’s first study, Henry Bruere’s *Making a Municipal Budget*, submitted after a review of the New York City Health Department and published in 1907. The study found factionalism, departmental dysfunction, and puzzling incompetence: the estimate and appropriation for hospitals, for example, read, “Hospital fund excluding payments to private hospitals,” leaving any relevant financial content entirely mysterious.⁵² While taking cues from the accounting practices developing in corporations, the budget they hoped to impose had ambitions beyond tracking revenues and expenditures.

The budget combined the Bureau’s analytical and civic-republican goals. Analytically, Cleveland summarized what a budget might actually accomplish:

...financing an enterprise or government during a definite period, which is prepared and submitted by a responsible executive to a representative body(or other duly constituted agent) whose approval and authorization are necessary before the plan may be executed.⁵³

According to Cleveland, state accounting science has no value and, more importantly, no power, apart from some executive, administrative direction. Indeed, the

⁵⁰ Dahlberg, 153-4

⁵¹ *ibid.*

⁵² Dahlberg, 159

⁵³ Cleveland, 15

centralization and concentration of power in a competent and accountable executive saw its greatest payoff in the (ideal) structure of the budget.

A budget can have no force. The "budget idea" as it is here used assumes a responsible executive – in other words, such an idea cannot obtain in any jurisdiction, municipal, state or national unless there is some one who is responsible for executing the plans for doing the things for which appropriations and revenue grants are requested.⁵⁴

But what, exactly, did centralizing administration and empowering commissions have to do with popular rule? What moved Cleveland, in the same essay, to celebrate the "budget idea" as "keeping [representative government] in harmony with the highest ideals of democracy"⁵⁵?

According to the BMR, budgets were venues for accountability that could ratify state authority – offering the public some window to adequately, correctly assess their elected officials and governing institutions. As other scholars have noted,⁵⁶ the budget idea advanced, quite explicitly, an accompanying conception of citizenship that assumed a clear and direct relationship between knowledge and participation. This vision motivated the BMR's civic, not merely institutional or analytical, activities, and it is to this vision that I now turn.

III. In his remarks at a 1912 conference on "Efficiency in City Government," Cleveland emphasized the significance of public ignorance or public knowledge about the operation of civic institutions.

⁵⁴ *ibid.*, 19

⁵⁵ *ibid.*, 33

⁵⁶ Jonathan Kahn. *Budgeting Democracy: State Building and Citizenship in America, 1890-1928* (Ithaca: Cornell University Press, 1997); Hindy Lauer Schachter. *The Role of Citizen Owners in Making a Better Government* (Albany: State University of New York Press, 1997).

If each citizen were to keep an accurate record of his thoughts, the average time devoted to gaining exact information as a basis of thinking about matters of public concern would be found to be almost negligible. In consequence those officers who are devoting themselves to public service are harshly criticized by an ignorant public who become mere tale-bearers and *a priori* statesmen.⁵⁷

The BMR did not seek to radically empower citizens but to restrain tendencies to mass misunderstanding, mass ignorance, and mass disengagement.⁵⁸ By equipping the public with the facts, the “tale-bears and *a priori* statesmen”⁵⁹ could become efficient and upright citizens politically *restraining* and politically *retraining* the inefficient and messy state.⁶⁰ The BMR, therefore, undertook efforts at civic education through a set of circulars (*Efficient Citizenship*) and a series of “Budget Exhibits.”

Between 1908 and 1913, at William Allen’s insistence, the BMR published hundreds of volumes of *Efficient Citizenship*, which started as postcards and turned into pamphlets, circulars, and newsletters. *EC* kept citizens abreast of BMR activities and city plans and departments – from the Board of Education’s finance report (No. 143) to word of a commissioner trying to “pinpoint responsibility for defective fire

⁵⁷ Frederick A. Cleveland, “The Need for Coordinating Municipal, State and National Activities,” in *Efficiency in City Government*, published by The Annals of the American Academy of Political and Social Science, Vol. XLI, Whole No. 130 (May, 1912), 25-6.

⁵⁸ In Walter Lippmann’s words: “The scientific impulse is the discipline of democracy, the escape from drift, the outlook of a free man. Its direction is to distinguish fact from fancy; its “enthusiasm is for the possible”; its promise is the shaping of fact to a chastened and honest dream.” Walter Lippmann. *Drift & Mastery* (Madison: University of Wisconsin Press, 1986), 151.

⁵⁹ One imagines the conspiracy theorist or misanthrope.

⁶⁰ For such a thoroughly modern conception of politics at odds with any eternal standards of good, “budgeting citizenship” curiously rhymes with Ancient political thought, resuscitating the relationship between “statecraft and soul craft,” institutional design and civic virtue.

hoses” (No. 45).⁶¹ *EC* was meant to equip readers with the tools to understand public administration and serve as checks on its excess. Information, institutional accountability, and active citizenship were the necessary ingredient of democratic rule.

Among the most curious artifacts of the budget reform movement must be the Budget Exhibits that ran between 1908 and 1911.⁶² By the last exhibit, in 1911, more than one million people attended the New York City-sponsored showcase of 350+ presentations. Today budgets are considered dry and technocratic (or shamelessly political). But the largely middle class and educated New York audiences of the 1910s had different experiences of the new fiscal instrument. The exhibits were lavish, with photographs, dioramas, models, and films,⁶³ all attempting to demystify and bring citizens closer to the city’s operation. According to the *New York Times* the final exhibit felt like “the World’s Fair on a busy day.” Today budgets are invoked largely to register a political or fiscal crisis of the social state. That was not the stated intention of the exhibits or of the BMR.

Indeed, advocates at the time, William Allen especially, made clear that their intentions were not to starve or hamstring services. Allen recalled in his memoirs that, “The government research movement was not a penny-saving or penny-pinching proposition at all.”⁶⁴ Henry Bruere wrote that, “only through efficient government [can] progressive social welfare be achieved, and so long as government [remains] inefficient, volunteer and detached effort to remove social

⁶¹ Schachter, 37

⁶² Kahn, 105

⁶³ *ibid.*, 109

⁶⁴ Schichsel, 118

handicaps [will] continue a hopeless task.”⁶⁵ Cleveland made the point even more starkly: “The subversion of revenue, the taking of public goods or the theft of time and service which is paid for by the municipality is a direct loss to the weak rather than to the strong...This is necessarily so for the reason that persons of wealth can protect themselves with wholesome food and wholesome surroundings.

For...persons less fortunately situated...Their hope lies in efficient and the most painstaking care in the application of public resources to public use.”⁶⁶ According to historian Samuel Haber, the Bureau saw “the government, which it would make efficient, as a welfare agency”⁶⁷ – a venue for the delivery of social services, not a restrained administration with police powers limited to private property guarantees.

But contemporary reports also make clear that the size of the state, once *scientifically* understood to be legible and manageable, was also becoming a source of attention, even anxiety. Describing the 1911 Exhibit, the *New York Times* wrote:

There is small doubt that the old Tefft-Wellner building will be crowded during the next few weeks, for there are thousands of citizens who have shown an inclination to learn just why the administration of New York's various departments require the vast sum of \$163,000,000 a year. That sum is being spent during the present year, and the budget for 1911 will certainly be no less, probably more.⁶⁸

This could not have the first time Americans had encountered such large figures, but the sheer variety and wide broadcast was new and also quite bereft of context. (How

⁶⁵ Dahlberg, 32

⁶⁶ Schisel, 109

⁶⁷ Haber, 111

⁶⁸ “How New York City Spends Its Money Every Year” in the *New York Times*, October, 2 1910.

much *should* “New York’s various departments require”? What made “\$163,000,000” “a vast sum”? The article begs more questions than it answers.)

A notice published in the *Times* three years earlier about the first Exhibit emphasized these financial, not social, implications of the budget. In the article, Boston’s visiting Mayor described the results of a municipal audit:

There was no discipline over the employees. They came late, took days off, and hardly any one was ever suspended, much less discharged. Consequently, the city was paying for labor it never received.⁶⁹

The mayor’s words demonstrate the clashing purposes of budgets already on display: to, on the one hand, open up, expand, and direct expenditure and, on the other, offer a new venue to act upon old fears about the runaway, absolutist, and decadent potential of a centralized state.

To some scholars, any disciplining inflection of budgeting discourse damns (or merely reconfirms) the ruling class character of the reform movement and, by extension, Progressivism more broadly. Samuel P. Hays, for instance, claims that the middle class reform story that historians tell about Progressives and that Progressives told about themselves dissembles much more than it reveals. While Progressive writers and thinkers might have been middle class, Progressive actors, particularly in municipal politics, were decidedly ruling class and used reform as a cover to advance their interests: industrial and finance capital.⁷⁰

Robert Wiebe’s famous history of the Progressive era characterized reformers, like those operating the BMR, as backed by “businessmen [who] usually

⁶⁹ "Will Study City Budget" in the *New York Times*, August, 30 1908

⁷⁰ Hays, 159-60

pictured the ideal city as an extension of his commercial values...His modern city was a business community; a clean, attractive appearance, an atmosphere of growth and progress, raised the general level of the economy."⁷¹ And indeed, major philanthropists and industrialists (Rockefeller, Carnegie) were in on budget reform from go (though it is significant that the breakup and reorganization of the BMR after 1913 was precipitated by an internal debate about the Rockefeller's role in the organization).⁷² According to this story, budgeting imposed financial, even corporate discipline on the state. The working class and immigrants had brokered power with existing local, "machine" arrangements that were intentionally broken by centralization and administrative reorganization; pockets of organized opposition were disrupted by state centralization. James Weinstein and a generation of organizational historians claimed the same thing, setting up budget reform, in particular, as the avant-garde of state/capitalist consolidation, profoundly rearranging the status quo while leaving existing, oppressive economic relations untouched.⁷³

The critiques are wrong in one important respect and uninteresting in a few others. First, they are wrong. As Irene Rubin demonstrates, capital wasn't actually doing the redesigning. It was, at most, its underwriter.⁷⁴ Rubin compellingly argues that corporate finance was in no position to consult the state and neither the state nor its reformers were in any rush to emulate the fledgling accounting practices of

⁷¹ Wiebe, 175

⁷² After abruptly exiting the BMR, Allen devoted much of the rest of his public life to attacking the Rockefeller interests "that had curtailed the Bureau's original program of political activism." Finegold, 24

⁷³ Weinstein, xiii

⁷⁴ Schisel, 126

the railroad trusts or contemporary corporations. Cleveland himself bemoaned the state of railroad finance in his book on the subject (co-authored with Fred Powell).

Railroad Finance complained that:

...in most railroad financial statements, there has been no attempt to distinguish capital resources from current resources, and there has been no regard for the truth even in the statement of the amounts and sources of capital actually obtained by the corporation...Even directors have been so ignorant of the true state of affairs that the officers have been permitted to act in open defiance of public law and business morality for years without even arousing a suspicion.⁷⁵

(And the BMR is an object lesson in the social service origins of the budget, with its chief practitioners moving from budgeting charities to cities.) So while the designs of robber barons and capitalists may have aligned them with municipal reformers, the same financiers had as much to learn from the reformers about keeping good books as the governments they sought to transform.

Second, they miss the point. Or rather, they mistake transcription for critique. To elaborate: The power of these critiques depends on observations about class sociology and, more importantly, the distance (even contradiction) between Progressive reform ideals and policy practice, between the exuberance of Herbert Croly and (what they see as) the staid, corporatizing technocracy of Frederick Cleveland. Aside from the fact that, as I have demonstrated, budget reform was not uniformly about state contraction, the critique loses purchase once we consider what Progressive *reformers* like Cleveland or Allen (or even Croly⁷⁶) actually stood

⁷⁵ Fred Wilbur Powell and Frederick Cleveland. *Railroad Finance* (New York: D. Appleton and Company, 1912), 120-1.

⁷⁶ As Croly wrote in *Progressive Democracy*: "The parallelism is, as a matter of fact, extremely close. The successful conduct of public and private business is becoming more and more a

for and what world they actually wanted, which was a kind of rationalization, clarity, and efficiency in all spheres.

For example: Allen, thought to be the most radical and political of the BMR founders nevertheless was thoroughgoing in his value pluralism. Even after decades of hindsight he disavowed a position:

Whether...we are to socialize capital by owning it or by controlling it, no one can now foretell...[but] Without intelligent control by the public, no efficient, progressive, triumphant democracy is possible.⁷⁷

Webber and Wildavsky elaborate:

Reformers are not radicals; those who left their imprint upon American budgeting between the turn of the century and 1920 were not opposed to American social structure or to competitive markets, nor were they proponents of income redistribution. A political force unique in this most unusual of nations, they were the establishment's anti-establishment – the anti-anti-hierarchy, critical of the way politicians did things, and the anti-anti-market, opposed to the trusts threatening to limit competition.⁷⁸

I do not disagree with the scholars who argue that these Progressives were “anti-radicals” (when “radical” means radically redistributive). But I do not find this line of criticism especially cutting given the fact that most Progressive reformers (while denying their complicity with any *status quo* or *ancien regime*) would nevertheless avow the charge.

matter of expert administration, which demands similar methods and is confronted by the solution of similar problems." Haber, 89

⁷⁷ John Recchiuti. *Civic Engagement: Social Science and Progressive-Era Reform in New York City* (Philadelphia: University of Pennsylvania Press, 2006), 105-6.

⁷⁸ Webber and Wildansky, 401

These two points of disagreement aside, the organizational historians get something right about the implications and scale of change entailed in the executive budget – for the state and for American citizenship. It is to that that I now turn.

IV. The nature of Progressive citizenship has been the subject of some debate.

According to historian Jonathan Kahn, BMR citizenship was thin and passive: “Like the professional career path on which the middle-class careerist relentlessly pursued higher status, the bureau presented citizenship as oriented vertically toward the government standing above the people, not horizontally toward other citizens.”⁷⁹ Hindy Lauer Schachter, meanwhile, claims that the BMR:

tried to foster a public that possessed a concern for communal needs rather than a conglomerate of individualistic consumers, each with a monochromatic interest in fulfilling his or her own individual desires. The efficient citizenship model not only posited the necessity of supporting an enhanced public role, it also identified strategies for producing citizens who would want to act like owners.⁸⁰

To Kahn, “budgeting democracy” carries the libertarian, atomistic flavor of consumer democracy, with opportunities for productive public deliberation diminished and political participation reduced to market choices directed at a flat, administrative state. Budget reforms fail to achieve any enhanced representation, instead re-legitimizing elite rule. But Schachter, on the other hand, envisions BMR citizenship as consistent with a republican politics of fellow travelers trying to grasp the institutional dynamics that could deepen their common investment and shared fates – a democracy of informed engagement and civil participation.

⁷⁹ Kahn, 117

⁸⁰ Schachter, 9-10

Here I agree with Kahn in the way I agreed with scholars of the “organizational school,” that is, with some caveats. The BMR vision of participation suffers an acute democracy deficit. The budget exhibits were spectacles for the consumption and digestion of data and organization, not venues to deliberate or scrutinize the data. And indeed, reformers were hardly divided on the question of what the budget should do democratically. Frederick Cleveland clearly advanced a more “elitist” approach, where the most powerful and effective form of democratic exercise comes in a referendum on power that constrains a deficient status quo.⁸¹ Beyond Cleveland, many in the BMR did not have in mind transforming mass citizenship as much as empowering “leading private citizens” to understand and steer the state: by Allen’s own recollections “The element in our municipal research ‘movement’ that was new in its time and would be new again today, was our assuming that it wasn’t our business but editors’ business, bankers’ business, leading businessmen’s business, women’s club business, civic leaders’ and educator’s business.”⁸² Budget Reform democracy was Chamber of Commerce democracy.

But the most interesting features and implications of the budget idea arrive with its (unintended) surpluses: first, with the distance between an intention to “remove determination of facts and policy from controversy”⁸³ and an outcome that is highly politicized; and second, with the re-conception of the American state as a

⁸¹ According to Dahlberg: “Government by the people would mean, not that the people assume the initiative, but that they are able to restrain and deal with those in government who lose sight of their proper functions.” (Dahlberg, 34)

⁸² Dahlberg, 35

⁸³ Israel, ed., 179.

legible, documentable *organization*. Much has been (and remains to be) written about the first, with that story beginning after mine ends, in 1921, with the BAA. In conclusion, however, I want to consider the second feature.

As Theodore Porter argues in his fascinating book *Trust in Number*, the authority numbers enjoy in public life is not determined *a priori*. The successful deployment of quantification does not merely reflect how practitioners are trained or acculturated but how their instruments, designs, and policies are received. “The social basis of authority”⁸⁴ largely predicts how well numbers will acquire authority with their audience – and how effectively those numbers will cement and reproduce that authority. The American state and American citizens were a highly receptive audience for the public budget. Let me draw on an example.

Walter Lippmann published his important book, *Drift & Mastery*, at the height of Progressive euphoria, just months after the Taft Commission closed. He writes:

We have lost authority. We are "emancipated" from an ordered world. We drift. The loss of something outside ourselves which we can obey is a revolutionary break with our habits. Never before have we had to rely so completely upon ourselves. No guardian to think for us, no precedent to follow without question, no lawmaker above, only ordinary men set to deal with heartbreaking perplexity. All weakness comes to the surface. We are homeless in a jungle of machines and untamed powers that haunt and lure the imagination.⁸⁵

While budget reformers did not share Walter Lippmann’s fear of modernity, the budget instrument they developed was inspired by a desire to install new forms of organized authority to prevent the further exaggeration of an unacceptable resting state (pun intended) – to, in Herbert Croly’s famous words, “intelligently

⁸⁴ Porter, 6

⁸⁵ Lippmann, 112

discriminate”⁸⁶ and organized the unorganized corners of human life, habits, and institutions. With an old regime of “island communities” under duress from the forces of industrial capitalism and its attendant social crises, reformers looked to instruments like the budget to untangle, reintegrate, professionalize, and cognize the operation of institutions that had become vital to the production and reproduction of American social, political, and economic life.

The New York budget exhibits alone demonstrate that there was something enticing about this imagined solution to the social crises of the moment – class conflict, urban violence, and growing inequality. Budgets were not entire solutions and were not the only solutions proposed, but they were able to attract support from unlikely corners. In the socialist *New York Call* a columnist hoped that the exhibitions would “be but the beginning of along series of such exhibits, which shall be to the people of New York a lesson in the government of the people...Every socialist, ought to try to see it.”⁸⁷ The executive budget both indexed and inaugurated the arrival of a transformed American state. The state was changing institutionally and its regulative ideal was changing too: from an “island community” to (paraphrasing Raymond Williams on the nineteenth century British novel) a “knowable community,”⁸⁸ rescued from the opacity of one tangled regime and restored to the order necessary to serve another.

⁸⁶ Herbert Croly. *The Promise of American Life* (Boston: Northeastern University Press, 1989), 450.

⁸⁷ Kahn, 107

⁸⁸ Raymond Williams. *The Country and the City* 165