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Ballard C. Campbell. *The Growth of American Government: Governance from the Cleveland Era to the Present.* Bloomington: Indiana University Press, 1995. x + 289 pp.

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One of the reasons to hope that the effort to reinvigorate American political history succeeds is the flow-on effect such a revival might have for the development of studies of the American state. The changing role of government, especially the central government, and the relationship of the citizenry to that state should be major themes in the study of American history, but this is not the case. Yet the role of the state is at the heart of an essential difference between today's, no less than yesterday's, political parties. Many scholars suspect that the growth of bureaucracy has had important consequences for the downturn in voter participation, just as the lateness of the growth of the state in the United States helps explain some of the most important and enduring differences between the United States and other Western nations. Certainly the comparative theme in American history would be stronger than it presently is if there were a broader history of the American state. And finally, at a time when everywhere in the West the state appears to be shrinking (though hardly withering away), it is interesting to ask about the earlier circumstances which led to the growth of state activity. One of the interesting claims to emerge from Canadian studies of the state is the notion that governmental roles grew in response to increasing levels of international trade in order to provide a new level of protection for the citizenry against the vagaries of the international economic order. If we understood the growth of the state in those terms, we might be even more alarmed by the sudden decline of state activity at the very time that global economic in-

terdependency reaches new heights. The state and the growth of the state are rich historical themes with broad integrative powers. Moreover, a long run historical perspective on the rise and relative decline of state activity is the best means by which we can evaluate the changes of the moment.

Ballard Campbell's book is a helpful step in each of these respects. The focus here is on the growth of U.S. government, and he means essentially the government in Washington, from the late 1880s to more or less the present. Campbell argues that a fundamental shift in the scope of state activity occurred in the late 1880s with the Cleveland Administration effectively separating a past in which the central government performed few functions from the modern era of a vast and activist state. But of course the actual process of change has been more gradual, both in the development of state activity and in the seeming retreat of government in the modern era. Campbell sees the shift as involving four stages of civic expansion.

The first, the longest period, stretched from federation to the 1870s. The "Republican Polity" reflected the traditional view—the Revolutionary fear—of governmental power. Government performed few functions, had limited revenue which it derived largely from indirect rather than direct taxes. Government, certainly at the federal level, was small because a wider range of functions was deemed dangerous to notions of republican virtue. The fact that the national government had ac-

cess only to indirect taxes constituted a powerful limitation on any wish to expand the governmental role. Locally based property taxes were important, but closely watched and always contested. Citizen involvement was high in the absence of a direct governmental bureaucratic role simply because reliance on temporarily commissioned citizens was the only means by which important public functions, particularly road building and school construction, could happen.

The “Transitional Polity,” from the 1880s to the 1920s, saw an increasing level of governmental regulation and higher indirect taxes. The Interstate Commerce Commission serves as the quiescent transitional agency. Campbell sees Cleveland’s 1886 “State of the Union” address as a clear departure from so much of the “small government” thought which had preceded it, especially in Cleveland’s call for relief for those financially destroyed by the collapse of the Freedman’s Bank and in his call for a pension bill for all Civil War veterans in preference to the previous policy of individual claimants. And of course there was the ISCC. Campbell provides telling reminders of this smallness of government against which one must set these innovations—the governor’s office in Wisconsin which consisted of five people, including the janitor, and of Cleveland answering the White House telephone and on occasion the front door. But the changes came gradually, reflecting a “great debate,” a rehearsal for that conclusively conducted in the New Deal era, about the proper role of government.

The incrementalism of the transition period is captured in the growth of the “on the ground” functions of the U.S. Department of Agriculture. In due course, the Department began radio broadcasting as well as purchasing of farm surplus. County Agents became features of virtually every county of the United States, and in many counties there was a female agent to address the problems rural women encountered. Government was indeed proving to be a solution to many problems.

No doubt the most controversial part of the book is the treatment of the “Claimant Polity,” stretching from the 1930s to the 1970s. It is not difficult to demonstrate that this short period involved a categorical shift in the responsibilities of government, building on the Cleveland departure but involving new levels of activism at all levels of government and demonstrating as well a new capacity to marshal power. In part, this was made easier by Hoover who, in a re-statement of traditional views, Campbell sees as holding firmly to the older understanding of a limited governmental role, regardless of the cir-

cumstances. War was of course a more powerful impetus to expansion than even Depression. In the midst of WWII, federal government expenditure was ten times the highest level of the Depression era. This was possible only because direct taxation by the federal government became part of virtually all citizens’ lives. Social welfare became a central responsibility of the federal government and direct taxes rose accordingly.

Why did government grow so fast? Campbell advances four explanations—genuine responses to industrialism and its consequent dislocations, pressure from interest groups seeking favors, voters who want and come to expect new levels of governmental programs, and finally government itself in seeking its own growth. Campbell’s argument is that all of these are both inter-related and important. This is not the most compelling argument, though one cannot but agree that there is no “magic bullet,” as Campbell says, to explain the growth of government. If the enormous expansion of the state for war and welfare are familiar themes, Campbell is very useful in denoting the price which underlay this expansion. Taxes were one issue, excessive levels of regulation was another; adding power to both objections was the perception, increasing since the Kennedy administration, that big government was slowing down positive change.

Enter the “Restrained Polity” perfectly represented by the Reagan and Bush, and Clinton, administrations. Government, Reagan said, was the problem, not the solution. Tax cuts and privatization became central issues of national political debate. Increasingly critics perceived that the state was behaving as some of the republicans of so long ago said it would—for the few at the expense of the many. But Campbell makes clear that while the language of the “Restrained Polity” may resemble that of the old republicans, in fact there has been a sea change. The old fear of central government which animated the republican ideology is gone or at least largely displaced. The state under Reagan, after all, expanded; it did not contract. Taxes were reduced and capped, which meant that government income slowed. But spending rose and debt grew enormously. Perhaps more importantly in terms of Campbell’s developmental trajectory, there is no evidence that Reagan or his administration were as afraid or distrustful of government power as the true republicans were. The modern Republicans pushed harder to reduce taxes than they did to reduce spending. Military spending expanded enormously. The republican era is not upon us and will not return. Americans have come to accept large government.

In delivering this message, there are some inevitable problems. The most serious goes to the core of the book's purpose and market. Is this a textbook or a monograph? In one sense, the sheer vastness of the subject constantly pushes the book to high levels of generalization and treatment. Campbell accentuates this sense of a generalized account by providing too many formal definitions and thinly developed models from other areas. There are, for example, echoes of systems theory's feedback loops in the discussion of the explanation for the growth of government in the "Claimant Era." Some parts of the general story are familiar; a closer focus would provide the different perspective necessary to the re-telling. This is always a difficult matter to gauge but a lesser treatment of the familiar would leave more space for the specific. Even the most general sections would be improved with a clearer statement of how this book intersects with the standard works in the field. Campbell does not see his state as particularly "maternalist" in the fashion of Theda Skocpol. Nor does he emphasize the development of administrative capacity to the degree that this dominated the earlier work of Stephen Skowronek, though the ability to marshal power and act directly upon the citizenry are central points in Campbell's argument. This book places greater emphasis on tax and revenue flow than either of the above, and it would be useful to draw out more fully the differences and convergences in at least these three quite different approaches to the history of state development in the United States.

Second, the aspect of the book which most effectively served as a counterpoint to the excessively generalized account of the ebb and flow of federal power is the use of two case studies—Arlington, Massachusetts, and Birmingham, Alabama—introduced here as exemplars of the impact these developments had on ordinary lives. This side by side treatment of the macro and micro levels of state development is a highly imaginative and potentially very successful aspect of the book's methodology. Unhappily, the process is not sustained, and the two case studies become less and less visible as the book proceeds. Now perhaps there is a message to be read into that trajectory, but if so it is not stated and one suspects that there in the end was just not room for the effort to trace national changes in any detail back to the local level. A dramatic alternative would have been alternating national and local chapters with the latter exploring the consequences of changes in the former. The gradual and unexplained weakening of the Arlington and Birmingham case studies reduces the book's effectiveness.

Third, in line with the above, the book would be

stronger with a more sustained and systematic focus on governmental activity at the state and local levels. Campbell notes that state and local governments were "the workhorses of the republican polity" (p. 16). These governments were never "small," and certainly they always impacted on the citizenry; indeed state and local governments were for all intents and purposes the most important levels of government activity until the modern period. This in itself, of course, undermines a notion of all government as being "small" before the late nineteenth century. Local government, in the republican era, involved tremendous numbers of citizens, often in the form of independent boards and commissions, both with large and rapidly changing memberships. A philosophy of low taxation ensured that most of the activity of local government was in lieu of a bureaucracy. Functions—especially road building in rural areas—could only happen if it depended on citizen labor. Road districts were created and road taxes levied, but the expectation was that the tax would be acquitted by labor on the roads of each district. Reality and ideology were mutually reinforcing. All of this deserves a greater emphasis, even if only to help sustain the argument of the book positing a clear conceptual break between the traditional and modern worlds. Likewise, the older "commonwealth literature" on the state—largely ignored here—might have been usefully deployed. Our understanding of the earlier periods of state activity would be further enhanced if alongside the notions of republicanism there were also some attention to the legal philosophy prevailing which saw the purpose of government being the release of private energy. The book could have done more with the fact of the growth of bureaucracy and the implications of this growth for traditional republican notions of political engagement.

Fourth, there is little reflection here on the consequences and costs likely to be associated with the disappearance and/or privatization of state services. At one point Campbell notes that government grew "as a mechanism to reduce the risks of an unpredictable and sometimes harsh world" (p. 53). That point could be drawn out more carefully and used as a evaluative ground against which to consider the modernizing trends which seem to leave more and more citizens at the mercy of a newly deregulated world.

Against these complaints should be set the great virtues of this book. First it is a valuable step in the right direction. The state is a tremendously useful focus for political inquiry and one which, while common overseas, seems remarkably muted in the United States. The long term development tables in the book are marvelous;

the effort in putting them together must have been enormous. They chart and summarize whole eras of state development, especially of the growth in federal government activity and costs. *The Growth of Government* certainly fills an important gap in charting exactly that. If the republican polity remains less fully discussed than might be the case, the discussion of the growth of government during the transition and New Deal eras is excellent. Campbell shows convincingly that government responsibilities at all levels, state and local as well as national, expanded enormously. In the aftermath of WWII, management of the economy became a federal government responsibility. Federal outlays were suddenly twice those of the most expansive year of Hoover's administration; federal debt went from 16 percent of GDP in 1929 to 46 percent in 1939. The "great debate" changed from a fixation over the degree of government power to a debate over the uses of governmental power.

Second, the book puts the complaint about government spending in a useful context. The U.S. remains, by European standards, a low tax nation, but taxes have gone up enormously in the period. Campbell notes that in Cleveland's era, most Americans were not paying any direct governmental tax at all; the Civil War experiment with income tax had collapsed under adverse court rulings and the 16th Amendment was yet thirty years in the distance. Only a minority of people directly paid property taxes because only a minority of people owned property.

When the income tax did come in 1913, only one percent of the workforce was eligible and the maximum rate was seven percent. By the end of WWII, however, two thirds of workers were paying income tax. Congress provided for these increasingly large taxes to be withheld, reducing the visibility of the tax bite, if not the pain. The surge in the flow of revenue to Washington was under way and would not slow for forty years; the federal government came to capture three quarters of all tax dollars. And, Campbell insists, revenue flow drove expenditure programs. Chapter Six on income security is outstanding in its own right and as an example of that process. Campbell reminds us that the federal government spends three times the amount on non-means tested insurance programs such as social security than it does on means tested programs. The former are virtually sacrosanct; the latter are the red meat of political debate. The elderly universally receive social security; only a third of the poor receive welfare.

Third, the book traces the rise of executive govern-

ment, beginning with the New Deal's focus on the presidency. Campbell emphasizes, however, that the same trend toward reliance and focus upon executive government is evident at all levels. In the "republican polity," the emphasis was on short political careers and short terms in office while the "Claimant Polity" helped keep bureaucrats and politicians in power for long periods. Congress responded in a telling way by creating its own retirement scheme in 1946. The republican era rested upon a largely passive executive—a "low-key stewardship"—whereas in the modern polity the executive has become the core of government and the presidency, "the dominant institution in the nation's civic life" (p. 209).

Finally Campbell shows how the worm turned, how government increasingly came to be seen as a problem rather than a solution to a problem. The first signs emerged in the Kennedy Administration with the argument that greater growth would be possible through curtailing taxes. A second shot was fired in the early 1970s in the increasingly vocal resistance to the vast regulatory system then in place. Campbell sees a rather Machiavelian aspect to this process. Money, he argues, became the lifeblood of the "Claimant Polity" and the most lucrative taxes were tied to the most popular spending programs. This explains why Reagan's presidency was decisive, but not in the ways we often think it was. No new ideology was put in place; the old republicanism did not re-emerge. Programs (some) grew and debt rose. But the flow of revenue changed dramatically. Reagan reduced taxes by 25 percent, reduced the tax brackets to three and, perhaps even more importantly, indexed the brackets for inflation while simultaneously launching a decisive war on inflation itself. The slowing of inflation and the indexing of bracket thresholds ended "bracket creep" with its painless flow of ever increasing levels of revenue to the central government. The expansionary state stopped expanding. Policy changed because the revenue flow, the lifeline of the "Claimant Polity," slowed. Campbell, it should be clear, is no fan of unrestrained government growth, which, as he notes, confuses responsibility and concentrates power while all the time building the claims for yet more revenue. The "Claimant Society" said that government should respond to needs and perceived needs; the problem was that it became increasingly difficult to obfuscate, to use Campbell's word, the true costs of special benefits.

This is a valuable book, broad in its scope and thus capable of charting over two centuries the expansion and contraction of governmental, especially federal government, activity in the United States. The costs and ben-

efits of that expansion and contraction are judiciously stated. Campbell helps provide a sense of our own time in this large scale pattern. The Reagan presidency was important for the seriousness of its attack on at least some programs; while welfare was the easy target, even Social Security—hitherto sacrosanct—was curtailed in the most substantial changes in the life of the program. Yet the state was not cut back dramatically by Reagan, Bush or Clinton. Only the rate of increase has been slowed. The goals were limited—lower taxes and less welfare.

Far more important is the continuity in the ideas which Campbell sees as rising to ascendancy in the “Claimant Polity” and continuing into the “Restrained Polity.” Today government is less feared and more trusted than it was in the past. There is a broad social consensus in favor of governmental programs to support education, to protect the environment, to conduct drug education programs and to protect the health of individual citizens. The powerful state, Campbell argues, is here to stay. Our time is a moment in the continuing great de-

bate over the role of the state; the underlying consensus in favor of governmental action and the faith in the capacity of government to act positively will no doubt loom larger to future historians than the modest restraints on the growth of the state which recent years have seen. Campbell concludes that the present is best understood as continuing the long-standing debate between one set of values emphasizing the necessity of individuals to be free to flourish and another set which emphasizes the need for government to provide the security necessary for the flourishing of freedom. Campbell helps us understand why it is that the consensus of the moment revolves more around the latter proposition.

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