
Franklin D. Roosevelt — “The Great Communicator”
The Master Speech Files, 1898, 1910-1945

**Series 2: “ You have nothing to fear but fear itself:” FDR
and the New Deal**

File No. 1029

1937 January 12

**Message to Congress –
Administrative Management**

January 12, 1937

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SIRPHEN EARLY
Assistant Secretary to the President

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TO THE CONGRESS OF THE UNITED STATES:

I address this Message to the Congress as one who has had experience as a legislator, as a subordinate in an executive department, as the chief executive of a State and as one on whom, as President, the constitutional responsibility for the whole of the Executive branch of the Government has lain for four years.

Now that we are out of the trough of the depression, the time has come to set our house in order. The administrative management of the Government needs overhauling. We are confronted not alone by new activities, some of them temporary in character, but also by the growth of the work of the Government matching the growth of the nation over more than a generation.

Except for the enactment of the Budget and Accounting Act of 1921, no extensive change in management has occurred since 1913, when the Department of Labor was established. The Executive structure of the Government is sadly out of date. I am not the first President to report to the Congress that antiquated machinery stands in the way of effective administration and of adequate control by the Congress. Theodore Roosevelt, William H. Taft, Woodrow Wilson and Herbert Hoover made repeated but not wholly successful efforts to deal with the problem. Committees of the Congress have also rendered distinguished service to the nation through their efforts from time to time to point the way to improvement of governmental management and organization.

The opportunity and the need for action now comes to you and to me. If we have faith in our republican form of government, and in the ideals upon which it has rested for 150 years, we must devote ourselves energetically and courageously to the task of making that government efficient. The great stake in efficient democracy is the stake of the common man.

In these troubled years of world history, a self-government cannot long survive unless that government is an effective and efficient agency to serve mankind and carry out the will of the Nation. A government without good management is a house built on sand.

In striving together to make our Government more efficient, you and I are taking up in our generation the battle to preserve that freedom of self-government which our forefathers fought to establish and hand down to us. They struggled against tyranny, against non-representative controls, against government by birth, wealth or class, against sectionalism. Our struggle now is against confusion, against ineffectiveness, against waste, against inefficiency. This battle, too, must be won, unless it is to be said that in our generation national self-government broke down and was frittered away in bad management.

"Will it be said "Democracy was a great dream, but it could not do the job?" Or shall we here and now, without further delay, make it our business to see that our American democracy is made efficient so that it will do the job that is required of it by the events of our time?

I know your answer, and the answer of the Nation, because after all, we are a practical people. I know good management in the home, on the farm, and in business, big and little. If any nation can find the way to effective government it should be the American people through their own democratic institutions.

Over a year ago it seemed to me that this problem of administrative management of the Executive Branch of the Government should be a major order of business of this session of the Congress. Accordingly, after extended discussions and negotiations, I appointed a Committee on Administrative Management, to examine the whole problem broadly and to suggest for my guidance and your consideration a comprehensive and balanced program for dealing with the overhead organization and management of the Executive Branch as it is established under the Constitution.

The Committee has now completed its work, and I transmit to you its report, "Administrative Management in the Government of the United States." I have examined this report carefully and thoughtfully, and am convinced that it is a great document of permanent importance. I think that the general program presented by the Committee is adequate, reasonable and practical, and that it furnishes the basis for immediate action. The broad facts are known; the need is clear; what is now required is action.

The Committee on Administrative Management points out that no enterprise can operate effectively if set up as is the Government today. There are over 100 separate departments, boards, commissions, corporations, authorities, agencies, and activities through which the work of the Government is being carried on. Neither the President nor the Congress can exercise effective supervision and direction over such a chaos of establishments, nor can overlapping, duplication, and contradictory policies be avoided.

The Committee has not spared me; they say, what has been common knowledge for twenty years, that the President cannot adequately handle his responsibilities; that he is overworked, that it is humanly impossible, under the system which we have, for him fully to carry out his constitutional duty as Chief Executive because he is overwhelmed with minor details and needless contacts arising directly from the bad organization and equipment of the Government. I can testify to this. With my predecessors who have said the same thing over and over again, I plead guilty.

The plain fact is that the present organization and equipment of the Executive Branch of the Government defeats the Constitutional intent that there be a single responsible Chief Executive to coordinate and manage the departments and activities in accordance with the laws enacted by the Congress. Under these conditions the Government cannot be thoroughly effective in working, under popular control, for the common good.

The Committee does not spare the Comptroller General for his failure to give the Congress a prompt and complete audit each year, totally independent of administration, as a means of holding the Executive truly to account; nor for his unconstitutional assumption of executive power; nor for the failure to keep the accounting system of the Government up to date to serve as the basis of information, management and control.

The Committee criticizes the use of boards and commissions in administration, condemns the careless use of "corporations" as governmental instrumentalities, and points out that the practice of creating independent regulatory commissions, who perform administrative work in addition to judicial work threatens to develop a "fourth branch" of the Government for which there is no sanction in the Constitution. Nor does the Committee spare the inadequacy of the Civil Service system.

To meet this situation and bring our administrative management up to date, the Committee presents an integrated five-point program which you will find set out in its Report. It includes these major recommendations:

1. Expand the White House staff so that the President may have a sufficient group of able assistants in his own office to keep him in closer and easier touch with the widespread affairs of administration, and to make the speedier clearance of the knowledge needed for executive decision;

2. Strengthen and develop the managerial agencies of the Government, particularly those dealing with the budget and efficiency research, with personnel and with planning, as management arms of the Chief Executive;

3. Extend the merit system upward, outward, and downward to cover practically all non-policy-determining posts; reorganize the civil service system as a part of management under a single, responsible Administrator, and create a citizen board to serve as the watch dog of the merit system, and increase the salaries of key posts throughout the service so that the Government may attract and hold in a career service men and women of ability and character;

4. Overhaul the one hundred independent agencies, administrations, authorities, boards, and commissions, and place them by Executive order within one or the other of the following twelve major Executive departments: State, Treasury, War, Justice, Post Office, Navy, Conservation, Agriculture, Commerce, Labor,

Social Welfare, and Public Works; and place upon the Executive continuing responsibility for the maintenance of effective organization;

5. Establish accountability of the Executive to the Congress by providing a genuine independent postaudit of all fiscal transactions by an Auditor General, and restore to the Executive complete responsibility for accounts and current transactions.

As you will see, this program rests solidly upon the Constitution and upon the American way of doing things. There is nothing in it which is revolutionary, as every element is drawn from our own experience either in government or large-scale business.

I endorse this program and feel confident that it will command itself to you also with your knowledge of Government, and to the vast majority of the citizens of the country who want and believe in efficient self-government.

No important advance can be made toward the major objectives of the program without the passage by the Congress of the necessary legislation.

It will be necessary to provide for the establishment of two new departments, a Department of Social Welfare and a Department of Public Works, for the assignment by the President of all the miscellaneous activities to the 12 major departments thus provided, for reorganization of the civil service system, for modernizing and strengthening the managerial agencies of the Executive, and for making the Executive more strictly accountable to the Congress. By the creation of two new Departments nearly one hundred agencies now not under regular Departments can be consolidated as to their administrative functions under a total of twelve regular Departments of the Government.

The remaining elements of the five-point program, though they must await your action on the basic legislation, may be initiated through appropriations and Executive orders.

In placing this program before you I realize that it will be said that I am recommending the increase of the powers of the Presidency. This is not true. The Presidency as established in the Constitution of the United States has all of the powers that are required. In spite of timid souls in 1787 who feared effective government the Presidency was established as a single strong chief executive office in which was vested the entire executive power of the National Government, even as the legislative power was placed in the Congress and the judicial in the Supreme Court. What I am placing before you is not the request for more power, but for the tools of management and the authority to distribute the work so that the President can effectively discharge those powers which the Constitution now places upon him. Unless we are prepared to abandon this important part of the Constitution, we must equip the Presidency with authority commensurate with his responsibilities under the Constitution.

The Committee on Administrative Management, after a careful examination of recent attempts to reorganize the Government and of State reorganizations carried out so ably by Governor Frank G. Lowden in Illinois, Governor Alfred E. Smith in New York, Governor Harry F. Byrd in Virginia, Governor William Tudor Gardiner in Maine, and by other governors, accepts the view held by my distinguished predecessor that the detailed work of reorganization is, as President Theodore Roosevelt said over 50 years ago, "essentially executive in its nature." The Committee accordingly recommends that reorganization should be a continuing duty and authority of the Chief Executive on the basis of standards set by the Congress. To make this safe, the Committee insists, however, that the Congress keep a watchful eye upon reorganization both through the annual budget and through the maintenance of strict executive accountability to the Congress under the independent audit of all financial transactions by an Auditor General. Under the proposed plan the Congress must by law establish the major departments and determine in advance the general principles which shall guide the President in distributing the work of the Government among these departments, and in this task the President is to act on the basis of careful research by the Bureau of the Budget and after conference with those primarily affected. Reorganization is not a mechanical task, but a human task, because government is not a machine, but a living organism. With these clear safeguards, and in view of our past handling with reorganization, one cannot but accept the logic and wisdom of the recommendations.

I would not have you adopt this five-point program, however, without realizing that this represents an important step in American history. If we do this, we reduce from over 100 down to a dozen the operating executive agencies of the Government, and we bring many little bureaucracies under broad coordinated democratic authority.

But in so doing, we shall know that we are going back to the Constitution, and giving to the Executive Branch modern tools of management and an up-to-date organization which will enable the Government to go forward efficiently. We can prove to the world that American government is both democratic and effective.

In this program I invite your cooperation, and pledge myself to deal energetically and promptly with the executive responsibilities of reorganization and administrative management, when you shall have made this possible by the necessary legislation.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,

January 12, 1937.

*Draft of Message
to Congress
Jan 12/37*

I address this Message to the Congress as one who has had experience as a Legislator, as a subordinate in an executive department, as the Chief Executive of a State and as one on whom, as President, the constitutional responsibility for the whole of the Executive branch of the Government has lain for four years.

Now that we are out of the trough of the depression, the time has come to set our house in order. The administrative management of the Government needs overhauling. We are confronted not alone by new activities, some of them temporary in character, but also by the growth of the work of the Government matching the growth of the nation over more than a generation.

Except for the enactment of the Budget and Accounting Act of 1931, no extensive change in management has occurred since 1913, when the Department of Labor was established. The Executive structure of the Government is sadly out of date. I am not the first President to report to the Congress that antiquated machinery stands in the way of effective administration and of adequate control by the Congress. Theodore Roosevelt, William H. Taft, Woodrow Wilson and Herbert Hoover made repeated but not wholly successful efforts

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The opportunity and the need for action now comes to you and to me. If we have faith in our republican form of government, and in the ideals upon which it has rested for 150 years, we must devote ourselves energetically and courageously to the task of making that government efficient. The great stake in efficient democracy is the stake of the common man, ~~the rich and the powerful can generally manage.~~

In these troubled years of world history, ~~we know in our hearts that~~ a self-government cannot long survive unless that government is an effective and efficient agency to serve mankind and carry out the will of the Nation. A government without ~~good collective~~ management is a house builded on sand. ~~When the winds blow, and the rains descend and the waters rise, it will not stand.~~ And there will come in its place a regime which mocks self-government, crushes local home rule, regulates every last detail of business and finance, browbeats minorities, suppresses freedom of speech and of life, and, ~~by drawing its program not from the consent of the governed, turns every device of science and mass psychology to regiment opinion from the cradle to the grave in support of its pattern of power.~~

In striving together to make our Government more efficient, you and I are taking up in our generation the battle to preserve

that freedom ~~of~~ self-government which our forefathers fought to establish and hand down to us. They struggled against tyranny, against non-representative controls, against government by birth, wealth or class, against sectionalism. Our struggle now is against confusion, against ineffectiveness, against waste, against inefficiency. This battle, too, must be won, unless it is to be said that in our generation national self-government broke down and was frittered away in bad management.

Will it be said "Democracy was a great dream, but it ~~couldn't~~ do the job"? Or shall we here and now, without further delay, make it our business to see that our American democracy is made efficient so that it will do the job that is required of it by the events of our time?

I know your answer, and the answer of the Nation, because after all, we are a practical people. We know good management in the home, on the farm, and in business, big and little. If any nation can find the way to effective government it should be the American people through their own democratic institutions.

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Management, to examine the whole problem broadly and to suggest for my guidance and your consideration a comprehensive and balanced program for dealing with the overhead organization and management of the Executive Branch as it is established under the Constitution. The Committee has now completed its work, and I transmit to you its report, "Administrative Management in the Government of the United States." I have examined this report carefully and thoughtfully, and am convinced that it is a great document of ~~value~~ ^{beginning importance}. I think that the ~~program~~ ^{plan} presented by the Committee is adequate, reasonable, and practical, and that it furnishes the basis for immediate action, ~~without waiting for further research or investigation~~. The broad facts are known; the need is clear; what is now required is action.

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governmental instrumentalities, and points out that the practice of creating independent regulatory commissions, to perform administrative work which in other cases is given directly to the departments, threatens to develop a "fourth branch" of the Government for which there is no sanction in the Constitution. Nor does the Committee spare what now remains of the system of spoils and patronage which has for many years stood in the way of more efficient management.

To meet this situation and bring the Government up to date, the Committee presents an integrated five-point program, ~~including~~ ^{including} these major recommendations:

1. Expand the White House staff so that the President may have a sufficient group of able assistants in his own office to keep him in closer and easier touch with the widespread affairs of administration, and to make the speedier clearance of the knowledge needed for executive decision;
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governmental instrumentalities, and points out that the practice of creating independent regulatory commissions, ~~which~~ perform administrative work ~~which is often done directly to the departments,~~ ^{in addition to judicial work} threatens to develop a "fourth branch" of the Government for which there is no sanction in the Constitution. Nor does the Committee spare ~~what now remains of the system of spoils and patronage which has for many years stood in the way of more efficient management.~~ ^{iniquity of this long-entrenched}

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Within narrow limits certain of the things outlined by this program may be effected in part by Executive order. Where this seems to be a practicable method of advance I am proceeding. May I say, however, after considering the matter in some detail, that ~~No~~ important advance can be made toward the major objectives of

board to serve as the watch dog of the merit system, and increase the salaries of key posts throughout the service so that the Government may attract and hold in a career service men and women of ability and character;

4. Overhaul the one hundred independent agencies, administrations, authorities, boards, and commissions, and place them by Executive order within one or the other of the following twelve major Executive departments: State, Treasury, War, Justice, Post Office, Navy, Conservation, Agriculture, Commerce, Labor, Social Welfare, and Public Works; and place upon the Executive continuing responsibility for the maintenance of effective organization;

5. Establish accountability of the Executive to the Congress by providing a genuine independent postaudit of all fiscal transactions by an Auditor General, and restore to the Executive complete responsibility for accounts and current transactions.

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President in distributing the work of the Government among these departments, and in this task the President is to act on the basis of careful research by the Bureau of the Budget and after conference with those primarily affected. Reorganization is not a mechanical task, but a human task, because government is not a machine, but a living organism. With these clear safeguards, and in view of our past muddling with reorganization, one cannot but accept the logic and wisdom of the Committee's recommendations.

I would not have you adopt this five-point program, however, without realizing that this represents an important step in American history. If we do this, ~~we wipe out federal patronage as a factor in political strategy and recognize that issues should be the basis of party conflict; if we do this, we make government efficient not only to render service, but also to interfere, unless at the same time we strengthen the instruments of accountability and democratic control, as is provided in the program.~~ If we do this, we reduce from over 100 down to a dozen the operating executive agencies of the Government, and we bring many little irresponsible bureaucracies under broad coordinated democratic authority though they would rather go their own way. But in so doing, we shall know that we are going back to the Constitution, and giving to the Executive Branch modern tools of management and an up-to-date organization which will enable the Government to go forward ~~effectively~~ efficiently. We can prove to the

world that American government is both democratic and effective.

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*(Message to Congress
on reorganization of
Govt. Dept's.)*

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7/25/37

Confidential Draft

Now that we are out of the trough of the depression, the time has come to set our house in order. For effective administrative management the Government needs overhauling. In so doing we are confronted not alone by the new activities, some of them temporary in character, which have been thrust upon the National Government since 1929, but also by the growth of the work of the Government matching the growth of the Nation over a generation.

Except for the enactment of the Budget and Accounting Act in 1921, there has been no extensive or fundamental reorganization of the work of the Government since 1913, when the Department of Labor was established. As a result the structure of government is not up to date. This antiquated machinery has stood in the way of effective administrative management by the President, and democratic control by the Congress not only during my term of office, but also during that of my immediate predecessors. Every President since Theodore Roosevelt, including particularly William H. Taft, Woodrow Wilson, and Herbert Hoover, has made repeated, valiant, but not wholly successful efforts to deal with the problem. Committees of the Congress have also rendered distinguished service to the Nation through their efforts from time to time to point the

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that freedom and self-government which our forefathers fought to establish and hand down to us. They struggled against tyranny, against non-representative controls, against government by birth, wealth or class, against sectionalism. Our struggle is against confusion, against ineffectiveness, against waste, against inefficiency. This battle, too, must be won, unless it is to be said that in our generation national self-government broke down and was frittered away in bad management.

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Management, composed of nationally known authorities on government and administration, to examine the whole problem broadly and to suggest for my guidance and your consideration a comprehensive and balanced program for dealing with the overhead organization and management of the Executive Branch as it is established under the Constitution. The Committee has now completed its work, and I transmit to you its report, "Administrative Management in the Government of the United States." I have examined this report carefully and thoughtfully, and am convinced that it is a great document of state. I think that the program presented by the Committee is adequate, reasonable, and practical, and that it furnishes the basis for immediate action without waiting for further research or investigation. The broad facts are known; the need is clear; what is now required is action.

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handle his responsibilities; that he is overworked, that it is humanly impossible, under the system which we have, for him to be the Chief Executive because he is overwhelmed with minor details and needless contacts arising directly from the bad organization and equipment of the Government. I can testify to this. I plead guilty. And my predecessors have said the same thing over and over again.

The plain fact is that the organization and equipment of the Executive Branch of the Government is not up to date, that it defeats the Constitutional intent that there be a single responsible Chief Executive to coordinate and manage the departments and activities in accordance with the laws enacted by the Congress; and that under these conditions the Government cannot be thoroughly effective in working for the common good under popular control.

The Committee does not spare the Comptroller General for his failure to give the Congress a prompt and complete audit each year, totally independent of administration, as a means of holding the Executive truly to account; nor for his unconstitutional usurpation of executive power; nor for the failure to keep the accounting system of the Government up to date to serve as the basis of information, management, and control. The Committee criticizes the use of boards and commissions in administration, condemns the careless use of "corporations" as

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Within narrow limits certain of the things outlined by this program may be effected in part by Executive order. Where this seems to be a practicable method of advance I am proceeding.

May I say, however, after considering the matter in some detail, that no important advance can be made toward the major objectives of the program without the passage by the Congress of the necessary legislation. With this in mind, and so that you may have in statutory terms without delay an outline of the plan, I have had prepared for your information a draft of an act which provides by law for the establishment of two new departments, for the assignment by the President of all the miscellaneous activities to the 12 major departments thus provided, for the end of patronage and the reorganization of the civil service system, for modernizing and strengthening the managerial agencies of the Executive, and for making the Executive more strictly accountable to the Congress. The remaining elements of the five-point program, though they must await your action on the basic legislation, may be initiated through appropriations and Executive orders.

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The Congress, as representative of the people, enacts the laws; the duty of executing them is placed by the Constitution upon the President. This division of authority under our constitutional system was well stated by President Wilson in a message to the Congress on May 13, 1920.

The Congress and the Executive should function within their respective spheres. Otherwise efficient and responsible management will be impossible and progress impeded by wasteful forces of disorganization and obstruction. The Congress has the power and the right to grant or deny an appropriation, or to enact or refuse to enact a law; but once an appropriation is made or a law is passed, the appropriation should be administered or the law executed by the executive branch of the Government. In no other way can the Government be efficiently managed and responsibility definitely fixed.

The President has been granted authority before to redistribute more efficiently the work of the Executive Branch of the Government. In 1903 this was done in a limited way when the Department of Commerce and Labor was established. Again in 1918 there was passed the Overman Act which expired with the end of the war. The Economy Act of 1932 authorized the President to transfer and consolidate agencies, subject to veto by either House. This proved ineffective for the reasons outlined by President Herbert Hoover in his message of that year, in which he said:

We may frankly admit the practical difficulties of reorganization. Not only do different fractions of the Government fear such reorganization, but many associations and agencies throughout the country will be alarmed that the particular function to which they are devoted may in some fashion be curtailed. Proposals to the Congress of detailed plans for the reorganization of the many different bureaus and independent agencies have always proved in the past to be a signal for the mobilization of opposition from all quarters which has destroyed the possibility of constructive action.

There is little hope for success in this task unless it is placed in the hands of some one responsible for it, with authority and direction to act. Moreover, the consummation of a comprehensive reorganization should be undertaken gradually and systematically, predicated on a sound and definite theory of government and effectuated as the result of study and experience gained in the actual processes of reorganization.

It is well to remember also what President Theodore Roosevelt said in his fifth annual message over thirty years ago:

There is every reason why our executive government machinery should be at least as well planned, economical, and efficient as the best machinery of the great business organizations, which at present is not the case. To make it so is a task of complex detail and essentially executive in its nature; probably no legislative body, no matter how wise and able, could undertake it with reasonable prospect of success.

The Act of March 3, 1933, repeated the previous authorization to the Executive to transfer activities for a period of two years, which has now expired. Under its provisions several reorganizations were carried through in the interest of better government. But those were busy years and years of great emergency during which it would not have been possible or wise to attempt the thorough reorganization that is now needed.

The Committee on Administrative Management, after a careful examination of this history and the study of State reorganizations carried out so ably by Governor Frank O. Lowden in Illinois, Governor Alfred E. Smith in New York, Governor Harry Flood Byrd in Virginia, and Governor William Tudor Gardiner in Maine, and

other governors, accepts the view held by my distinguished predecessors. And following the line of reasoning advanced by President Theodore Roosevelt in 1905 and by Senator Overman in 1918, the Committee recommends that reorganization should be a continuing duty and authority of the Chief Executive, and without current legislative veto. To make this safe, the Committee insists, however, that the Congress keep a watchful eye upon reorganization both through the annual budget and through the maintenance of strict executive accountability to the Congress under the independent audit of all financial transactions by an Auditor General. Under the proposed plan the Congress must by law establish the major departments and determine in advance the general principles which shall guide the President in distributing the work of the Government among these departments, and in this task the President would act on the basis of careful research by the Bureau of the Budget and after conference with those primarily effected. Reorganization is not a mechanical task, but a human task, because government is not a machine, but a living organism. With these clear safeguards, and in view of our past muddling with reorganization, one cannot but accept the logic and wisdom of the Committee's recommendations.

I would not have you adopt this five-point program, however, without realizing that this represents an important step in American history. If we do this, we wipe out federal patronage

as a factor in political strategy and recognize that issues should be the basis of party conflict; if we do this, we make government efficient not only to render service, but also to interfere, unless at the same time we strengthen the instrument of accountability and democratic control, as is provided in the program. If we do this, we bring many little irresponsible bureaucracies under broad coordinated democratic authority though they would rather go their own way and from over 100 we bring down to 12 the operating executive agencies of the Government. If we do this, we go back to the Constitution, and insist that the Executive on its side and the Congress on its side shall, as Woodrow Wilson said, "function within their respective spheres." But in so doing we shall know that we are giving to the Executive Branch modern tools of management and an up-to-date organization which will enable the Government to go forward effectively and efficiently. We can prove to the world that American government is both effective and democratic.

In this program I invite your cooperation, and pledge myself to deal energetically and promptly with the executive responsibilities of reorganization and administrative management, when you shall have made this possible by the necessary legislation.