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# 1

## Designing the Executive Branch

Political memory seems to be inversely related to the heat of political battle. When the adrenaline of conflict is flowing and immediate goals are phrased as if they were long-term values, it is perhaps inevitable that each situation is considered unique and familiar patterns and comparative generalizations are disregarded.

This is what happened in Israel when the legislation providing for the direct election of the prime minister was passed in 1992 and first implemented in 1996. In a sense the condition was unique since the arrangements provided for were unprecedented. But a more judicious analysis of the situation must see the reform as a mutation of a pattern already well under way in Israel and in other democracies. After all, Israel was not the only country in which the appeal of the mass parties of the second half of the twentieth century was on the wane, nor the only country in which the balance between legislative and executive power was clearly being won by the latter.

Constitutional innovation demands historical and theoretical perspective. Just how much did the change matter? Were new relations created? Were old ones weakened? Did the personality of the prime minister become more important than the institutional strictures to which he was confined? As if anticipating the Israeli case forty years later, Richard Neustadt (1960, 4) wrote about this regarding the American system:

Our politics has been 'as usual,' but only by the standard of past *crises*. In comparison with what was once normality, our politics has been *unusual*. The weakening of party ties, the emphasis on

personality, the close approach of world events, the changeability of public moods, and above all the ticket-splitting, none of this was 'usual' before the Second World War.

The Israeli system at the beginning of the twenty-first century fits this statement to a surprising degree. Party ties had been weakening and were dealt a severe blow by the election reform. Personality became paramount in the age of the television sound bite and the pervasive opinion polls; public mood shifts were evident. Moreover, the new system fostered ticket-splitting because it provided each voter with two ballots, one for the prime minister and one for the Knesset (parliament).

An appreciation of the impact of the electoral reform makes sense only in terms of past performance. Some supported the reform and some opposed it based on an assessment of what it would do to their own chances of reelection, what would be the fortunes of the party they supported, or how the prime minister and the coalition system would govern. But to assess better or worse demands an examination of how prime ministerial government in Israel performed in the past. We cannot escape a consideration of the relative importance of constitutional provisions, of institutions such as political parties, of events, and of personalities. Our conclusion is that the reform solidified previous patterns of concentration of power in the executive branch, and especially in the office of the prime minister. There is undoubted importance to the personality of the office-holders, their experience and energy level, commitment to or disdain of certain ideals, and their psychological predisposition toward others and toward power. But in the end, the rules of the game of the institutions involved make an enormous amount of difference because it is in that normative framework that the leader operates and is evaluated. Chief executives could choose to overlook the rules, or try to side step them or to even abolish them, but then we may be recounting a story outside the usual realm of democratic politics.

The architecture, legitimacy, and performance of democratic institutions are the areas that institutional choice has focused on even as modern executive governance has become increasingly complex (e.g. Sartori, 1994; Linz and Valenzuela, 1994; Weaver and Rockman, 1993; Shugart and Carey, 1992). Constitutional changes come in

a dazzling variety of designs, defying the long-standing dichotomous classification of presidentialism versus parliamentarism. In the twentieth century, the emergence of hybrid political regimes along with critical institutional analyses pertaining to the performance of democratic regimes seriously questioned the usefulness of the dichotomous classification. The claim that presidential systems constitute a deviant case has been increasingly challenged. Newly established regimes often attempt to regulate, through constitutional law and institutional arrangements, the shortcomings of existing governing systems, paying little attention to schemes of classification.

The traditional scheme has been criticized for its European bias. With the analytical focus on parliamentary systems, presidentialism came to be seen as an irregularity (cf. Linz and Valenzuela, 1994) with the United States serving as a well-documented exception to the rule of parliamentary government. Underlying this conceptual framework is the central proposition that parliamentarism represents a 'normal' evolutionary form of government and the natural product of the gradual transition from monarchy to democracy. By contrast, presidentialism was an artificial, consciously engineered form of government. Although the British cabinet system dates back to the late seventeenth century, its evolution and the expansion of executive power were the inevitable outcomes of economic, social, and political developments of the last three centuries. The overall declining significance of parliaments in governance, the widening of the franchise accompanied by the consolidation of mass parties, and the emergence of big government in the twentieth century forged and configured the predominant role of chief executives.

In this chapter we analyze the position of chief political executives in various constitutional configurations regarding their bases of legitimacy, the organization of their executive offices, and the reasons for the dramatic expansion of government. This comparative examination provides the theoretical context within which the central caveats of executive governance in democracies in general and in Israel in particular will be analyzed.

## **The chief executive**

The design of democratic regimes is configured by two critical factors: the authority of the chief executive in relation to the cabinet,

and the fusion of executive and legislative power. The central characteristic of presidentialism was the separation of legislative from executive powers. Presidential regimes are thus characterized by the popular election of the chief executive, with fixed terms in office for the chief executive and assembly, not contingent on mutual confidence. While elected executives appoint and direct the composition of government, their roles in policy-making have been constrained.

In Western Europe, the gradual emergence of parliamentarism reflected the evolution of monarchies into democracies. Most European states instituted democratic constitutions and elected parliaments towards the end of the nineteenth century when the head of state was the monarch. These constitutions reflected the adaptation of the institutions to the specifics of governmental powers on the a priori assumption that the state continues to exist but that its regime must be altered (Elazar, 1985). During the transition to democracy the control of the executive branch gradually shifted from the monarch to the elected assembly. This is reflected in the semantic distinction between the presidential 'chief executive' and the parliamentary 'prime minister.' The key constitutional features of parliamentary democracy include the popular election of the legislature, the dependence of prime ministers on the confidence of the legislature controlled by their parties, and the institutionalization of executive succession in an orderly manner.

Hybrid regimes emerged in the second half of the twentieth century as alternative forms of government. The main attribute of hybrid regimes is a dual authority structure, or in Sartori's words (1997, 122) 'a two-headed configuration' in which a diarchy is established between a president who is head of state, and a prime minister who heads the government. In essence, the two heads are unequal in their authority and power oscillates between them depending on the majority status of one over the other.

Aron (1981) and Lijphart (1994) suggest that hybrids are not intermediates between presidential and parliamentary systems, but rather regimes that alternate between the pure types in response to changing political circumstances at different historical times. According to Hoffman (1963), the French Third Republic was a republic 'with plenty of brakes and not much motion.' In Aron's (1981, 8) view, the president in the Fifth Republic 'is the supreme authority as long as he has a majority in the national assembly; but he must abandon the

reality of power to the prime minister if ever a party other than his own has a majority in the assembly.' For Sartori (1997, 124), hybrid regimes constitute a distinct type because 'alternation suggests passage from one thing to another while oscillation is a within-system movement. In oscillating something remains itself.'

The most distinct difference between the hybrids and the other types of regimes concerns the institutional management of divided majorities. In parliamentary systems, once the prime minister loses the support of the legislature, his or her government is ousted. In contrast, in the United States, the two branches of government have come to see their respective electoral interests to be in the failing of the other institution. Consequently, the regime displays inherent obstacles for coping accountably and effectively with divided government. Nonetheless, governance is not seriously interrupted because of blurred public policy priorities, weak and undisciplined parties, and state and locally centered politics. The president can also attempt to sway congressional votes through pork-barreling.

Hybrid regimes cope with the governance problem of divided government through constitutional provisions rather than institutional practices. Indeed, the inherent political tension and the potential for conflict are grounded in the very relationship between the president and the prime minister who is supported by the parliament. The diarchy is firmly incorporated in the constitution. However, actual political support determines the ongoing balance of power. In the case of a unified majority the president decisively prevails over the prime minister, while with a split majority the prime minister, supported by both the parliamentary majority and the constitution, prevails. Hybrid regimes emerged under peculiar, very special historical and political circumstances, in countries such as Finland, France, and the Weimar Republic. Thus in 1905, Finland obtained national independence from Russia and began a process of democratization. This process accelerated throughout Europe following the Austro-Hungarian and German defeat in the First World War, and the gaining of independence in the remaining dependent countries of Western Europe. The political elites of many of these 'second wave' states espoused the advantages of replacing the monarch with an elected head of state and at the same time holding the cabinet accountable to parliament. In Finland, the political Right strongly preferred a constitutional monarchy. However, the low political likelihood of

establishing such a regime coupled with the distrust and intense fear of the Left, resulted in the creation of a unique premier-presidential regime (Linz, 1994; Arter, 1985; Nousiainen, 1988).

The Finnish constitution is somewhat vague on the division of authority between the president and government, although it established 'reserve domains' of presidential authority in foreign affairs and coalition formation. Due primarily to the continued significance of the relations with the former Soviet Union, this vagueness did not lead to major governance crises. While the president had clear reserve domains and headed the weekly State Council meetings dutifully deliberating only on the constitutionally mandated issues, it was the prime minister who led the cabinet and had authority over most legislative and administrative matters.

In the nineteenth century the transition to constitutional monarchies in many European countries was accompanied by the major shift of authority over the cabinet from the monarch to parliament. Thus the French parliamentary democracy was established under the Third Republic in 1871, following several regime transitions, including a republican democracy, dictatorship, and a monarchical restoration. In 1962 the newly adapted constitution of the Fifth Republic was a reaction to political instability and the lack of governing capability of a weak executive. The idea of a neutral institution arbitrating between political parties or presiding above them was quite appealing in those countries where societal and partisan polarization made governance through parliamentarism extremely difficult, if not impossible (Linz, 1994; Suleiman, 1994).

The German constitution of 1919 established a dual executive system which was semi-presidential, semi-parliamentary. The Weimar Republic was one of the first democracies that experimented with this model. Although the designers preferred a strong leader for the new democracy, downright presidentialism entailing the separation of powers was not contemplated as a serious option. Max Weber (1947) was among those who advocated the benefits of such a regime for resolving the political deadlock caused by the fractionalized party system. The initial intent was to establish a parliamentary monarchy comparable to the British design. However, the federal structure of the state, the characteristics of the party system, and the preference for strong and effective leadership due to Germany's difficult international position ruled out this alternative. The workable

political compromise devised by Hugo Preuss, the drafter of the Weimar constitution, was to directly elect the president without relinquishing the established parliamentary tradition.

A premier–presidential (semi-presidential) regime implies a regime type located midway along some continuum running from presidential to parliamentary, in which there is both a prime minister as in a parliamentary system and a popularly elected president, such as in the French Fifth Republic (Duverger, 1980). Semi-presidential regimes are characterized by the popular election of the head of state (president), along with a premier and cabinet subject to assembly confidence and performing executive functions.

In president–parliamentary regimes the president is the head of the executive branch and the cabinet is accountable to the legislature, providing equal authority to the president and parliament in cabinet formation and ministerial appointments. Yet the president has the authority to dissolve parliament. Such a regime is characterized by the popular election of the president, with the president having the power to appoint and dismiss cabinet ministers and to dissolve parliament (see Shugart and Carey, 1992, 26).

The prime ministerial–parliamentary regime legislated in 1992 in Israel and repealed in 2001 is a genuine, albeit quite problematic mixture of parliamentary regime with presidential attributes. The prime minister is elected directly, however, a ‘balance of terror’ is inherent in the relationship between the prime minister as the head of the executive branch and the Knesset (parliament), because each can dismiss the other. The prime minister can dissolve the Knesset by resigning thus calling for the elections of both prime minister and parliament. The Knesset can dismiss the prime minister and retain office only if a no-confidence vote is supported by at least two-thirds of its members. A no-confidence vote supported by an absolute majority but less than two-thirds requires new elections for both Knesset and prime minister. The Israeli case thus features the popular election of the prime minister, with the prime minister having the authority to appoint cabinet ministers, contingent on approval by the Knesset, and to dismiss ministers. A prime minister can dissolve parliament by resigning, but the Knesset can bring down the prime minister.

The principal difference between presidential and all the other regime types concerns the political relationship between the executive

and legislature. The essence of parliamentary regimes is in the direct accountability of government to the legislative branch. Accountability is grounded in a constitutional provision: the head of the government is dependent on the confidence of the legislature for forming and maintaining the governing coalition. Indeed, the very process of coalition formation is a political search for the legislature's confidence. The leader of the largest party in parliament (who ordinarily later becomes the prime minister) is usually asked by the head of state to form a governing coalition. The head of the state may also ask a politician supported by the largest bloc in the legislature to attempt to form a coalition in situations where the leader of the largest party is unable to do so.

In pure presidential systems the legislature and the executive maintain separate political existence and institutional powers. The chief executive is elected independently of the legislature and serves a fixed term in office. Members of the legislature are free from executive threat, and can ratify, amend, or veto executive initiatives based on the merit of the legislation itself or on political considerations rather than on the survival of government. The chief executive can neither dismiss the legislature and call for new elections nor be dismissed by the legislature without a serious cause. In the United States the president can be dismissed by congress through impeachment for 'high crimes and misdemeanors.'

Another important aspect of the executive-legislature relations in presidential regimes and some hybrids concerns the veto power of the chief executive over legislation passed by the legislative branch. Extraordinary legislative majorities are required to override presidential veto thus considerably strengthening presidential powers. Unless the legislature is made up of large anti-presidential majorities, the veto makes the president the equivalent of a third chamber of the legislature (Riker, 1984, 109).

Not all presidents have veto powers that can be reversed only by extraordinary majorities. Under the pre-2000 Venezuela constitution, presidential veto power could be overridden by a simple majority, unless the supreme court upheld the president's claim that a bill is unconstitutional. The French president, quite powerful in other respects, does not have a true veto power as in the American case, but is authorized to dissolve the legislature. In a sense the veto is inconsequential because the regime functions as a presidential

regime only when the president is supported by a majority in the assembly.

In parliamentary regimes the relationships between the legislature and the executive are invariant. They are shaped by the provision that parliament is the single popularly legitimated institution. Although in parliamentary democracies the legislature is formally sovereign, in practice governments controlling the majority of seats can muster a legislative majority by enforcing party and/or coalition discipline. The division of labor between the legislature and the executive in parliamentary regimes is such that the legislature controls the fortune of government, and government makes and implements policy decisions by virtue of its control over government ministries and agencies (Laver and Shepsle, 1994). This gives government near monopoly control over information and other public resources, making it difficult for the opposition to develop its own agenda.

In presidential regimes, the relationships between the executive and legislature are dynamic, often unpredictable and always complex (Keefe, 1980), but have proven robust and resilient over time. In this context, Neustadt (1991) has even questioned the extent to which the American constitution created in fact a separation of power system: the constitution did not separate the powers or functions. It separated institutions that shared the powers of governance and set up competition for influence regarding the substance of policy. The mutual assessment of legitimacy and competency is also vital in the relationships between congress and the presidency (Jones, 1995). The constitutional balance of power between the two institutions has varied over the years with Congress occasionally gaining primacy and the president at other times. At times cooperative relations exist between the two branches, at other times the relations are adversarial. The regime has also experienced periods in which it was unclear which institution predominated.

In sum, relationships in democracies between legislatures and executives are structured by mutual checks and balances; specific patterns and their consequences vary across regimes. The temporal flexibility of parliamentary regimes provides the legislature with coercive capabilities and oversight authority for constraining executive power. However, when a parliament is highly fragmented these very capabilities constitute a substantial source of political instability. The institutional rigidity of presidential systems encourages

robust patterns in which the balance of power can shift both ways without jeopardizing either the tenure of the executive or the authority of the legislature.

### **Bases of legitimacy**

Legitimacy is the sine qua non of democratic governance. Presidential and parliamentary regimes represent different conceptions of popular legitimacy. Presidential democracies are regimes of dual legitimacy in which both the president who heads the executive and the legislature are directly elected. The president's tenure in office is independent of the legislature's confidence, and the incumbency of the legislature is independent of the president. Tenure in office is constitutionally predetermined for a fixed term and cannot be modified under normal circumstances. Consequently, the duration of the president's mandate becomes a fundamental political factor to which all other political actors must adjust.

The only institution with popular legitimacy in parliamentary systems is the legislature. Government authority is derived from the confidence of the parliament, or, lacking a parliamentary majority, from the parliament's acceptance of a minority government between elections because of its inability to form an alternative government. In hybrid regimes, the bases of legitimacy are dual, resembling those of presidential systems. Indeed, dual democratic legitimacy tends to enhance institutional conflict (Linz, 1994). When both chief executive and legislature claim legitimacy, it is most likely that each espouses different policy choices. Under such circumstances, which branch of government is more legitimate? Which branch better represents the votes? From a democratic governance perspective, is dual or single legitimacy superior?

A single base of legitimacy has been the prevalent mode. Dual legitimacy was introduced as an institutional arrangement to provide procedures of checks and balances in order to constrain executive power. Even the dual legitimacy of presidential regimes is not in fact dual. In the United States both the president and congress can claim democratic legitimacy, but in reality the president's claim is stronger by virtue of being the head of state. Indeed, much of the criticism against presidentialism concerns the existence of two separate and competing claims to legitimacy. Since both branches

are politically independent, presidential regimes lack intrinsic incentives to compromise and cooperate (Mainwaring, 1989).

Still another implication of dual legitimacy is that presidents, unlike prime ministers, need not continually seek the confidence of the assembly and consequently they tend to be less attentive to dissatisfaction with executive performance, thus increasing the potential for political conflict (Shugart and Carey, 1992). In hybrid regimes, dual legitimacy tends to present a similar problem. Bicameral systems consisting of directly elected chambers with different partisan compositions and federal division of powers are likely to induce the problem of dual legitimacy (Lijphart, 1994). Certainly most of the characteristics of consensual democracy are deliberate attempts to safeguard against a single institutional legitimacy that would concentrate power.

### **Organization of the executive office**

Chief executives secure and control information, set the policy agenda, decide on policy options, choose politically workable courses of action and attempt to ensure, as much as possible, their implementation. In addition to the general bureaucratization trend of executive governance, as discussed in Chapter 2, the different attributes of regimes also find strong expression in the organization of the executive offices. Blondel (1982) suggested that the more political power is concentrated in one person, the more the government is likely to be organized in a hierarchical manner. When political power is decentralized and dispersed, governance is likely to be collective or diffuse. In such cases governmental policy-making evolves on a trade-off basis. Although somewhat simplistic (Blondel, 1993) depicted the structure of governments along two dimensions: unity versus division and hierarchical versus collective decision-making. A government is considered united when policy decisions emanate from one center. If the center is composed of one or a few decision-makers and the rest of the government depends for its guidance on the initiatives of the center, then government is both united and hierarchical. Hierarchical and collective governments are two extremes of this continuum with variations in between.

Presidential administrations tend to be closer to the hierarchical end. The executive office forms an aggregate organization consisting

of several differentiated and specialized units set to provide the president with the administrative resources, programmatic analyses and political assistance necessary to manage the executive branch. Presidential nominees are quite independent of the party leadership in the selection of cabinet ministers, politically facilitating the institutionalization of a fairly hierarchical organization. The president's cabinet consists of the heads of the executive departments and several other high-ranking appointed officials. The cabinet meets at the discretion of the president and is sometimes formed into smaller policy groups around particular policy areas.

The cabinet, however, does not dominate the policy process. As Fenno (1959, 6) points out, 'Cabinet members themselves are inextricably involved in the activities of the legislature, the bureaucracy, the political parties and the political interest groups. The cabinet and especially its individual members, participate in a great multiplicity of external relationships which are not in the first instance matters of its internal characteristics nor of its presidential tie.' Consequently, the White House staff has emerged as the central actor in the policy development process, replacing the cabinet as the president's chief policy advisors and aides, and guiding departmental policy-making within the framework of presidential initiatives. Most modern presidents commenced office with a commitment to a strong cabinet and shortly afterward restructured the policy-making process to restore the power of the White House staff. Ironically, Richard Nixon's 'imperial presidency' evolved despite his public pledge in the 1968 election to restore cabinet government and empower cabinet members as deputy presidents.

As a consequence of big government with its numerous, diverse, and specialized activities the federal bureaucracy has differentiated vertically and horizontally to such an extent that the president and his immediate aides could exercise little control over the various departments and agencies. As Foley and Owens (1996) suggest, the presidential office was designed to compensate for the solitary status 'against the big battalions of the executive departments' and to tilt the balance away from the forces of the bureaucracy towards central presidential authority.

The organization of the Office of the United States President clearly indicates that the president is both Chief of State and Head of the Executive branch, and Commander-in-Chief of the armed

forces. The Office of the President is made up of some 400 staff appointed by the president or his senior aides, and the White House business is managed by a Chief of Staff. There is great flexibility in organizing the White House. Usually presidents reorganize the White House in order to meet their policy agendas and to fit their personal style.

The organization of executive offices in non-presidential systems reflects power-sharing rather than concentration of power in the hands of one person. The cabinet as a whole is expected to formulate policies on important issues and to react to major events and crises. The collective character of the executive in non-presidential systems does not entail any specific distribution of power within the cabinet, yet all ministers are held accountable for the outcome of decisions. Because of the sheer volume of issues reaching the executive, their complexity, and often their very specialized, technical nature, there has been great reliance on cabinet and subcabinet committees. Much of government's work is carried out through a system of committees forming a significant component of the administrative-political structure. Decisions made by cabinet committees have the same weight as those made by the full cabinet forum and bind cabinet members. Committees are often authorized to settle policy issues without further reference to the full cabinet, although in case of a tie an issue can be brought to cabinet for final decision.

In hybrid regimes the formal organization of government is inevitably more complex and intricate. In France, authority is divided between the president of the republic, elected directly for a term of seven years, and the prime minister. The president performs the ceremonial duties as the head of state in parliamentary regimes, and is also the chief executive. The president appoints the prime minister and other members of government based on the recommendation of the prime minister. Both the president and the prime minister share executive authority. Although the president plays a prominent role in the conduct of international relations, it is the prime minister who heads the government and is held accountable for its actions and inactions. The French prime minister organizes the work of government, exercises regulatory power, and makes those top civil service and military appointments that the president is not authorized to make.

This duality of the two-headed executive is reflected in the organization of the offices of both executives. The president is assisted by the general secretariat of the presidency, responsible for information and coordination, and by the private office that includes administrative staff and advisors covering the range of presidential activities and responsibilities. The prime minister is aided by the private office comprised of numerous assistants, and by the general secretariat of the cabinet that plays a major role in the administrative procedures involved in governing.

### **Developments in political economy**

Four major developments in the political economy of western democracies provide the background for the growth of government that in turn has fostered expansion in the roles and organization of executive offices. The first is rooted in the idea of market failures – the set of conditions under which an idealized competitive economy fails to allocate resources efficiently. The traditional market fails to deal adequately with public goods, defined as those goods the consumption of which by one user does not reduce the supply available for others. The failure also applies to externalities, as when the action of a person or a firm hurts or benefits others without that person or firm paying or receiving compensation. It applies to natural monopolies, giving rise to the possibility of restricting output to increase prices and profits. It also applies to information asymmetries, as when suppliers know more than consumers or vice versa. All of these have provided the policy rationale for government intervention and its consequent growth. In addition, social and moral concerns over equity have promoted government intervention through redistributive policies even in the absence of market failure, essentially because competitive markets may distribute wealth and income in socially and politically unacceptable ways.

A second, related development focuses more explicitly on public finance and government budgeting. Public sector economics by its very nature and dynamics tends to increase government expenditures. The so-called ‘Baumol’s disease’ is a prime example. According to Baumol (1967), government is a labor-intensive organization that does not gain much in productivity from the utilization of capital expenditures. Therefore, in particular during periods of inflation,

the cost of government services increases more rapidly than the cost of other goods and services, based on the assumption that public sector pay remains equivalent to private sector salaries. In other words, maintaining the level of goods and services to which the public has been accustomed means increasing the cost of government. The alternative of lowering the level of services has been politically unattractive.

The sharp increases in entitlements, both within the general context of the contemporary welfare state and the more specific proliferation of special interest groups, is the third major development for explaining increases in the size of government. At the end of the nineteenth century, European industrial nations possessed the foundations for a centrally administered welfare state. From this point on, state concerns for conditions of life resulted in government intervention in most areas of human existence, and ultimately evolved into the all-encompassing social security and regulatory systems of the second half of the twentieth century. In the United States, the foundations of the welfare state were established later through the New Deal and the Employment Act of 1946, and they were expanded with President Johnson's Great Society social programs in the 1960s.

This so-called 'uncontrollable' government spending arose out of commitments that were written into law to individuals and groups of citizens, and can thus be altered only if the legislation authorizing such spending is changed. Between 1960 and 1995 much of the expansion in government was driven by increases in transfers and subsidies (IMF, 1997). By the end of the 1990s, governments in western democracies spent more on entitlements than on providing traditional public goods. Demographics account for a large part of this spending as the age structures of populations have been rapidly changing, with the growing older segment of the population translating into increased spending for pensions and health care. Nonetheless, policy preferences motivated by political agendas and electoral considerations contribute to significant variations among democracies (Flora, 1986).

The fourth development has been the bureaucratic part of government. Structurally, the bureaucracy is the major component of the executive branch, yet it has become so vast and powerful in its own right that it is often referred to as the 'fourth branch of government.'

The 'bureaucratic politics' perspective sees public bureaucracies as relatively autonomous actors exerting large amounts of influence in the formation of public policies, in their implementation and in the evaluation of existing programs and policies. Elected officials are dependent on the expertise, the organizational skills, and the administrative and political know-how of appointed officials. These non-elected administrators, in particular those at the top, control pertinent information and exercise considerable influence in the policy processes (Nachmias and Rosenbloom, 1978).

An inevitable consequence of the expanding scope of government activities has been the growth of bureaucracy. In Jones's words, 'Government programs beget bureaucracy, and bureaucracy begets more bureaucracy' (1984, 13). Indeed, bureaucratic growth has a dynamic of its own. Whether from the maximization perspective or from the descriptive incremental one, the typical behavior of bureaucrats in their decision-making roles leads to bureaucratic expansion. Niskanen's (1971) model of bureaucratic growth, for example, postulates that bureau chiefs are budget maximizers using their control of information and their publicly secretive administrative and political skills to increase their budgets above the necessary level. Incrementalism, using past budgets as a base for future budgets rather than basing the budget on a performance evaluation, is more congruent with the pluralist political process of coalition-building, bargaining, and compromise, and adds varying increments to the bureaucracy, the cumulative outcome of which has been progressive expansion. Whether there are limits to bureaucratic growth remains largely an unsolved puzzle (Meyer et al., 1985), notwithstanding current endeavors in most western democracies to retrench and reform their public bureaucracies.

Ultimately the growth of government has been the outcome of political decisions in response to or in anticipation of voters' opinions and demands. The political perspective invariably emphasizes the policy aggregation role of political parties as they compete for the vote of the middle class and of the 'median voter.' Another major source of government expansion has been the success of interest-group politics either in the form of institutionalized policy networks or outright lobbying. Since interest groups tend to pursue narrow or segmented concerns rather than the more general public interest, their impact on the policy process leads in the direction of

government growth. Once established, an interest group has a strong incentive to endure because the group's rewards for organized action are larger relative to the cost that individual members bear in pursuing the group's cause (Olson, 1965). This low cost/high reward equation has led to the proliferation of policy-minded interest groups throughout the public policy space, having considerable influence especially over transfer and regulatory policies.

These developments in the political economy have not only dramatically expanded the size of government and the scope of the executive branch but have also raised new concerns about executive power, its capabilities, constraints, and accountability as well as new issues pertaining to institutional choice. In the following chapter these concerns are addressed in the context of executive governance in democracies.

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