

# The Necessities of Conceptual and Fundamental Reconstruction of the Administrative System — Reforms and Innovations

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## Abstract

Innovation and adaptation of an administrative system to new requirements are considered essential for its dynamism and effectiveness, and require attention to the issues from which reforms are to begin. Given that modern public administration is a concept derived from the United States administrative system and pursues maximum efficiency, the aim of the research is to find the roots and foundations of administrative system reform in this country. Therefore, the subject was studied using a descriptive-analytical and library method. The research findings emphasize the important role of three factors, which are: 1) Design of a program-based budgeting system; 2) Legal approach to public administration; 3) Emphasis on performance management and conceptual transformation of the principle of separation of powers.

**Keywords:** budget, performance management, legal approach, bureaucracy

## 1. Introduction

Public administration is considered as an element of the governance process; in fact, public administration transforms the needs and desires existing in the space and environment of the political system into public policies. Similarly, the study of administration in the public sector is inseparable from the general aspects related to the dominant management culture in a society and has an impact on public and private organizations. The main element in federalist thinking is based on the fact that it considers distinctions between elements present in a broad and extensive system as permissible and unimpeded, and even promotes them.

Determining and defining the nature of public administration in the United States, as the starting point of many developments in modern public administration, contrary to its fundamental rights foundations, does not seem easy; for example, in the Wilsonian tradition, a professional civil service is considered central to governance, while Hamilton's conception of strong executive rule emphasizes the power of the president, the internal diversity in the American administrative tradition, on the one hand, crystallizes in flexibility and adaptability, and on the other, potentially creates disorder and conflict.

Therefore, it seems necessary to analyze the

United States administrative system as the origin of the formation of modern public administration and its movement towards a new order.

The main question of this research is: What areas and issues initiated the fundamental changes in public administration in the United States? Issues that subsequently led to the emergence of a new order in public administration in this country.

Therefore, using the descriptive-analytical method and the library method, the reforms and innovations of the United States public administration will be analyzed in three axes: reforms in the budgeting system, the legal approach to public administration, and the evolution in the American perception of the principle of separation of powers through the importance and reliance on performance management.

## **2. Design of a Program-Based Budgeting System**

In the early 1920s, management and planning functions were often overlooked among the pioneers of budget reform in the United States. Early budget administrators emphasized the development of a purpose-based view of spending and the implementation of budget processes using recommended procedures, forms, and factual information. In fact, budgeting at the federal level was based on control and expenditure targets. According to Charles Dawes, the budget organization deals only with current and insignificant matters of governance and the budget office has no regard for economic economy, efficiency, and policy.

The United States budget reforms can be assessed in three phases. The first phase, from 1920 to 1935, focused on designing a proper structure for monitoring and controlling expenditures, and played a key role in the enactment of the Budget and Accounting Act. Although management and planning considerations were not completely neglected in this phase, there was a marginal focus on these two functions. The second phase, during the period of fundamental reforms, occurred during the Roosevelt presidency and reached its peak after more than a decade with the movement known as “performance budgeting.” The dominant orientation during this period was “managerialism” and played a fundamental role in the structural reform of resource allocation,

performance evaluation programs, and the activities of regulatory agencies. The third stage was achieved by institutionalizing the budgeting structure based on the plan, which was related to past efforts to create a link between budgeting and planning.

In the plan-based budgeting system, priority is given to planning, the budget system has a multi-purpose nature and also deals with management and supervision areas. The main goal of this method is to rationalize the policy-making process. Thus, by structuring expenditures, variable and alternative elements in planning processes are placed together and, using cost-benefit analysis of different options, a final analysis of the budgeting process is reached. Hence, the design of a program-based budgeting system, with special attention to efficiency and effectiveness, led to innovation in American public administration, which is a reminder that the roots of the developments of the 1980s in Europe should have been sought in the United States many years earlier.

## **3. Legal Approach to Public Administration**

New public administration seeks changes that achieve efficiency, good management, and social justice. Achieving social justice requires organizational forms that strengthen the necessary capacities for permanent change or flexibility in a continuous manner. Classical bureaucracies have great strength and stability. Public administration in its traditional form emphasizes strengthening and developing institutions that have been created to deal with social problems and focuses more on institutions than on problems and issues, but modern public administration seeks fundamental solutions and institutional approaches to solving problems and pursues the formation of flexible structures with the aim of changing the shape of traditional bureaucracies. Devolution, expansion of responsibility, decentralization, and stakeholder participation are all concepts opposed to bureaucracy and belong to the new public administration; the goal of all of them is to ensure that policies are accompanied by the realization of social justice while creating bureaucratic changes.

The effort to achieve social justice represents the normative aspect of public administration. This aspect creates a link between public administration and the knowledge of law, and the goal of creating social justice provides the

necessary context for the introduction of a legal approach to public administration.

The legal approach comes from three sources. The first source is administrative law. As early as 1905, Frank Goodnow, a well-known author in the field of public administration theory, published a book called *Principles of Administrative Law in the United States*. In the book, he defines administrative law as follows: "It is a part of legal knowledge that, while establishing the concept of an organization, determines the competencies of individuals who implement laws in organizations, and provides specific solutions in cases where laws are violated." In this regard, according to Marshall Dimmock: "To the public administrator, the law is an objective and tangible thing and specifies the limits of her authority. The said authority is her right and implies the matter: first, it tells the administrator what the law expects of her; second, it determines the limitations and limits of her authority; third, it specifies the fundamental and procedural rights of individuals and groups. The manager, with the awareness of his authority, has both an interpretative role and an architectural and creative function. Thus, whenever he applies an old law to a new situation, he creates a new legal situation. Hence, law, like management, controls and manages affairs." Another author, Kenneth Davis, also believes in the possibility of benefiting from a legal approach to public organizations. He says: "An administrative institution is a legal authority affiliated with the government that affects the rights of individuals through rule-making, decision-making, negotiation, inspection, and informal actions or dispute resolution."

The second source of the emergence of a legal approach to public administration is the move towards establishing judicial procedures in the public administration process. According to Dimock, Until the enactment of the Administrative Procedures Act in 1946, institutional and organizational decisions were made by ordinary administrative employees with the approval of senior managers. The aforementioned procedure was based on organizational and collective decision-making, in which each member of the organization participated in the decision-making process. This structure was effective and in most cases proved effective. Then came the idea of using legal experts in the public sector for cases

requiring lengthy and technical hearings, such as railroad cases, which were under the jurisdiction of the Interstate Commerce Commission. The establishment of judicial procedures was accelerated and made more widespread with the passage of the Administrative Procedure Act. Judicial procedures were initially developed by legal experts from various agencies at the U.S. Civil Service Commission. Judicial procedures expanded with the establishment of administrative hearing offices in public agencies; these offices are responsible for handling legal issues and matters within the agency. Therefore, judicial procedures, in addition to facilitating law enforcement, serve as a law-based mechanism for administrative decision-making, and legal values play a fundamental role in organizational actions.

The third source of the legal approach to public administration in the United States is the Constitution. In the 1950s, the United States Federal Court redefined fundamental freedoms, the right to equal protection of the law, and the freedom of citizens from public administrators; In line with this, the right to equal legal protection was strongly emphasized and was used in various administrative matters such as the administration of public sector employees and prisons; courts and tribunals also attempted to combat violations of citizens' rights by reducing the judicial immunity of public sector managers.

The legal approach to public administration in the United States, with its emphasis on the administration of public servant affairs, especially in matters such as disciplinary action and the creation of equal employment opportunities and employment relations, has tangible effects on the organizational structure; In general, by emphasizing fundamental rights, justice, and procedural due process, it considers individuals as unique individuals with special circumstances who should have the right to defend themselves and have a reasonable opportunity to express their views. In fact, the appeals process makes decisions more appropriate to the circumstances.

From this perspective, public administration is accountable to citizens and the unilateral authority of the rulers over the ruled is seriously challenged, which is more consistent with the concept of governance than government, and in line with the concept of new governance, it also

views citizens as a system in which each can reflect their individual will in the space of public administration.

#### **4. Emphasis on Performance Management and Conceptual Transformation of the Principle of Separation of Powers**

The roots and foundations of the emphasis on performance management in the United States should be sought in a mindset that considered the separation of powers in the traditional and Montesquieuian sense to be rigid and inflexible and required change in order to be responsive to the influence of society in various political, economic, and social spheres. In this regard, an extensive administrative apparatus emerged to enhance flexibility and facilitate specialized affairs. This is not limited to the United States. In the new situation, all three functions of the government branches have been consolidated into the executive branch. Therefore, public administrators are responsible for making regulations, implementing them, and deciding on the scope and application of the regulations. Hence, the violation of the principle of separation of powers in its traditional sense seems obvious. According to White, "the formation and development of administrative institutions in response to new legal and administrative requirements has led to increased pressures to realize the principle of separation of powers." The intensification of pressures has led to "Legitimation crisis" in public administration; Because the integration of the three functions of regulation, performance, and judgment in administrative institutions contradicts the idea of supervision and balance of powers. This is especially true in a situation where, in addition to the three aforementioned functions, supervision and balance are also entrusted to the administrative sector.

In the new thinking on the principle of separation of powers, it is referred to as modern functional separation, and more attention is paid to functions than structures. In this regard, first, executive and administrative functions are separated from supervisory, judicial, policy-making, and legislative affairs, and the separation is made based on the nature of the matter, not the authority or institution that has the authority to implement it. Then, in the next stage, it is possible for each branch to have diverse functions, which is different from the traditional concept of separation of powers in which each branch had a specific function. In the

new approach, the actions of the executive branch are distinguished from the other branches by their regulatory and specialized nature, resulting in a broad interpretation and new interpretation of executive affairs.

The emphasis on "performance management" reached its peak during the Bush presidency and entered a new direction; although Congress had previously made efforts to make changes through the "Government Performance and Results Assessment Act". The reforms, in addition to having a strong and emphasized element of "managerialism", also tended towards the so-called "Hamiltonian" and "Wilsonian" versions of governance, which emphasized "executive leadership" and the separation of politics from administration. As a result of the emphasis on the executive sphere in the current public administration, it seems that any change and reform will go through the path of restoring the balance of power and also restoring the process of professionalism in public services. Therefore, the emphasis on performance management, in continuing the conceptual transformation in the separation of powers, emphasizes the specialization of the bureaucracy in the administration of public affairs; which is in line with increasing the efficiency of the administration.

#### **5. Conclusion**

In modern public administration, there is a distance from classical bureaucracy; organizational and individual goals are formulated in a clear manner, so that the results obtained from them are evaluated by performance indicators and executive plans are systematically reviewed; the driving element of all the aforementioned matters can be sought in the concept of efficiency and effectiveness.

If we consider the ultimate goal of modern public administration to be achieving maximum efficiency, this goal will not be achieved by simply using descriptive words such as transparency; rather, it requires the realization of performance indicators, which in turn requires sufficient attention to the relevant prerequisites.

Therefore, according to the study conducted on the fundamental causes of the transformation of public administration in the United States, three factors play a very important role in this regard, which are: 1) Design of a program-based budgeting system; 2) Legal approach to public



administration; 3) Emphasis on performance management and conceptual transformation of the principle of separation of powers. These matters seem unattainable without adopting an interdisciplinary approach in the two knowledge spaces of public law and public administration.

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