

# **Notes on Technocracy and Economic Development in the United States and Latin America**

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## **Introduction**

The concept of technocracy was originally conceived in 1941 with the meaning it has today. The notion was designed with a very polemical purpose, as will be examined in these notes. It was part of a wide-ranging—and ultimately successful—ideological platform aimed at undermining the New Deal in the United States. More generally, the concept of technocracy was also created as an instrument to attack developmental and Keynesian public policy orientations. Because of the strong polemical intent in its creation, the concept contained some rather obvious distortions of historical facts related to the establishment and operation of developmental institutions. In our days, those original distortions make the employment of the concept of “technocracy” potentially misleading, both for historical research, and for public policy discussions. The present paper will examine the distortions that the concept of technocracy contained at the moment of its creation, and its possibly misleading impact on contemporary scholarship.

In its current usage, the concept of technocracy typically refers to the upper echelons of state bureaucracies, provided these have expertise in their public policy areas, and such expertise is assumed to form the basis of their political power. Among other popular definitions, both Collier and Meynaud focus on the idea that technocrats acquire political power and influence supposedly on the basis of their technical skills. For example, according to Collier (1979, 403), technocrats have a “high level of specialized academic training which serves as a principal criterion on the basis of which they are selected to occupy key decision-making or advisory roles [...]” Meynaud (1964, 32) takes a much more critical perspective on the notion that technocrats can acquire power just on the basis of their expertise—more on this below—but he nonetheless observes that this is the

dominant definition in the literature, and therefore, that “on a theoretical level [...] one could imagine without difficulty a regime of perfect technocracy in which the attribution of power would depend on competency alone [...].”

As mentioned above, the creation of the concept of technocracy was part of the polemics surrounding the New Deal in the United States. Among other dimensions of the New Deal, the initiatives for economic development, which began to be put into practice after the Great Depression of the 1930s, had to confront intense criticism and fierce political attacks. During its first decade of implementation, the New Deal managed to prevail in most such political struggles, and one of the keys for its political success was the articulation of innovative political practices with new public policy styles. We will briefly describe those political struggles and innovative political practices in the next section.

## **1. The New Deal, Democracy and Economic Development**

From among the diverse public agencies that carried out the New Deal’s strategies for economic and social modernization in the United States, the Tennessee Valley Authority (TVA) was at the same time one of the most successful, and one of the most iconic for the spirit of optimism that characterized the whole project. TVA was created in 1933. Its long-time director from that year to 1946, David E. Lilienthal, has been described as one of the leaders of the New Deal that “better articulated this confidence and optimism,” and Lilienthal’s classic book *TVA: Democracy on the March*, published in 1944, was considered from the beginning as a “manifesto that expressed the scale and scope of New Deal liberalism.” (Smith 2006, 255).

The Tennessee Valley Authority (TVA) was extraordinarily successful both in consolidating a very high reputation among the public, as well as in public policy implementation. TVA was able to reduce poverty very fast, and to contribute decisively to the economic development of a vast geographical area in the United States. One of the keys for the two—certainly linked—dimensions of success, both in public reputation and public policy, was the systematic development by TVA of the practice of organizing and promoting “grass roots support” for public policy programs, as has been shown by diverse empirical studies (Selznick 1949; Hargrove and Conkin 1983; Hargrove

1994). Carpenter (2001) has established, moreover, that diverse such practices and mechanisms aimed at consolidating support for public policy programs had been successfully tried by other autonomous bureaucratic agencies in the United States, decades before TVA began to employ them. Those practices and mechanisms involved reaching out to the public in media and advertising, establishing permanent links with other social actors by long-term political strategies, and consolidating grass roots support for public policy programs by techniques of community organization. Since the beginning of the twentieth century, diverse public agencies had been successfully using such institutional tools in order to increase their political strength and bureaucratic independence. In general terms, those political practices and organizational resources were decisive for the consolidation of autonomous or insulated bureaucracies in the United States. As Carpenter (2010) further confirms, to interfere with autonomous agencies can be politically very costly for the executive power in the United States, even to this day, because many autonomous or insulated agencies have a very high reputation among the general public as measured in surveys—much higher than the executive, Congress or political parties. Such high reputation among the public concerns not only the professionalism and efficiency of independent agencies, it is also about citizens' trust in autonomous bureaucracies, including a high regard for their institutional transparency as expression of democratic values.

Beginning with the national development corporation CORFO, created in Chile in 1939, many development agencies created in Latin America during the 1950s and 1960s took inspiration from the institutional design and normative values of the Tennessee Valley Authority. After retiring from public service in 1950, most of Lilienthal's work as a development consultant took place in Latin America, including frequent visits, as well as public appearances and speeches in support of development projects in the region (Neuse 1996, 294). His consulting firm D&R (Development and Resources Corporation) executed public development projects in Argentina, Brazil, Colombia, the Dominican Republic, Haiti, Nicaragua, Peru, Puerto Rico, Uruguay, and Venezuela (Neuse 1992, 1298). As Albert Hirschman was to remark a few years later, no development project in Brazil, Mexico or Colombia seemed acceptable unless its blueprint was TVA, and if possible, the project was certified expressly by David Lilienthal himself (Hirschman 1967, 19).

Considering this very brief summary of TVA's public policy achievements, the political innovations it created in the United States, as well as its influence in Latin America, we will introduce now

three issues related to the possible misleading impact of the concept of technocracy in historical research and public policy discussions on economic development. The first issue (A) is connected to the definition of technocracy as an ideal type, and its authoritarian components, which cannot be applied to TVA as a matter of course, or to any other development agency created following TVA's institutional blueprint and normative ideals in Latin America. The second problem (B) results from the history of the concept of technocracy, since the concept was established by American conservatives, precisely, to attack the New Deal, and most particularly TVA. As the most successful bureaucratic agency of the New Deal, both in terms of public policy results, and in terms of its reputation as a democratic organization, TVA was the target of especially vicious, but also brilliant attacks. The development of the concept of technocracy by American conservatives certainly shares both these qualities, and it has remained very influential up until our days. As a third issue related to the application of the concept of technocracy, finally, we will briefly consider the application of this notion to neoliberal elites that came to power in several Latin American countries during the eighties and nineties (C). There is a kind of paradox here, as a matter of fact, since in contrast to the development agencies created according to the TVA model, the neoliberal elites did actually formulate and implement public policy according to a technocratic, decidedly authoritarian understanding of political power.

### **(A) Technocracy and the New Deal**

In a paper that provides the theoretical framework and discussion for his later empirical work on Mexico—of which more below in point (C)—Centeno offers the following definition of technocracy as an ideal type: “The administrative and political domination of a society by a state elite and allied institutions that seek to impose a single, exclusive policy paradigm based on the application of instrumentally rational techniques.” (Centeno 1993, 314) The definition implies that technocratic domination creates a hostile environment to democratic values and practices, and this thesis is made explicit later on in the paper: “What are the political implications of the empowerment of a technocratic elite and the imposition of their mentality on policymaking? It seems that the very same characteristics that promote technocratic control also make it inimical to democratic rule.” (Centeno 1993, 326)

As previously mentioned, the consolidation of TVA as an autonomous bureaucracy was carried out under the relatively long leadership of the agency by David Lilienthal, 1933-1946. Now, it can be argued with good historical reasons that Lilienthal created the notion of participatory public policy, and he gave it wide currency with his celebrated book (almost forgotten since the conservative revolution in the eighties) *TVA: Democracy on the March* (Lilienthal 1944). From among many places in the book that define and advocate for the idea of participatory public policy, the following quote is a good example. Lilienthal is criticizing, precisely, the notion that planning (in the sense of public policy planning) has to be done, and carried out, by expert public officials:

Plans had to be made, of course, many of them. But plans and action are part of one responsibility. TVA is responsible not alone for plans but for results. Those results depend chiefly upon the people's participation. Getting that participation was to be almost wholly on a voluntary basis. To get a job done in this way [...] required the invention of new devices and new methods.

(Lilienthal 1944, 199)

We have mentioned above that diverse political practices were being developed by managers of bureaucratic agencies in the United States, since the beginning of the twentieth century, in order to consolidate the autonomy or insulation of those agencies. Many of such practices were intrinsically related to democratic values and procedures, such as reaching out to the public through participatory public policy and media interventions, establishing permanent links and other forms of networking with citizens and civic associations, strengthening the agency's reputation for public service by means of active transparency and communication policies, and other related practices. Carpenter (2001, 353) defines this set of political practices and democratic values, which were employed with great success to consolidate independent agencies in the United States, as "the politics of bureaucratic autonomy."

Now, from among all the bureaucratic agencies, TVA went probably furthest in the direction of developing new instruments and practices for citizen participation in public policy, under the leadership of Lilienthal. There is no doubt that Lilienthal, literally, wrote the book for the politics of bureaucratic autonomy in a pluralist democracy, that is to say, his already mentioned classic *TVA: Democracy on the March* (Lilienthal 1944). Therefore, not only was TVA very successful in the public policy dimension, but also in its wide advocacy for the idea of running bureaucratic agencies according to democratic values and practices.

As a conclusion of (A), in sum, it is really problematic to apply the concept of “technocracies,” as if this were a matter of course, to TVA or to any other bureaucratic agency that was created following TVA’s organizational model and normative ideals in Latin America. Because the concept of technocracy has authoritarian components, as Centeno’s discussion in the paper quoted above shows, a technocracy tends to be “inimical to democratic rule.” (Centeno 1993, 326) Nevertheless, we are not saying that the concept of technocracy cannot be applied to TVA under any circumstances. However, this would require some empirical exploration and discussion, it cannot be assumed as obvious that the concept of technocracy is valid for TVA, or for any other bureaucratic agency created according to its normative ideals in Latin America. The empirical research would have to show that, notwithstanding all the protests of supporters of the New Deal and of TVA, the new increased role of state agencies in development and in social policy, represented by the New Deal, was authoritarian in its political practices and its consequences. This would be a version of the “jeopardy” argument analyzed by Hirschman (1991): the New Deal and development agencies such as TVA attempt to increase the rights of citizenship adding an economic and social dimension, but in so doing they put at risk—or destroy—previously established liberal democratic rights. And the result are authoritarian forms of government. Interestingly, the concept of technocracy was employed for the first time, as the concept containing authoritarian elements that we know today, precisely in developing a powerful version of the “jeopardy” argument, by James Burnham and other American conservatives. And the target of Burnham was very explicitly the New Deal and TVA. We will consider briefly, in the next section, the history of the concept of technocracy, and its revision for polemical purposes by Burnham.

## **(B) The Managerial Society and Technocratic Authoritarianism**

The word *technocracy* was used for the first time in print by William H. Smyth in an article for the magazine *Industrial Management*, published in 1919 with the title “Technocracy—Ways and Means to Gain Industrial Democracy.” (quoted in Akin 1977, 184) The word came to identify a political orientation associated with the Progressive Movement, which called for a system of national planning for industry and infrastructure, to be coordinated by scientists, and especially by engi-

neers. Thorstein Veblen became the most prestigious of the intellectual leaders of the “technocratic movement.” From the beginning, the aim of the technocratic movement was to combine scientific planning with democratic ideals, as was clear already in Smyth’s pioneering contribution. Nevertheless, the practical details of the articulation of technical planning with democratic practices remained rather vague or merely declaratory. As Burris (1993, 28) points out, how “democratic control was to be assured was not clear [...] Both Smyth and Veblen appear to have merely taken democracy for granted.”

Therefore, without certainly being authoritarian in its intent, the technocratic movement omitted to develop a theory, or even less concrete practical guidelines, for the articulation of technical planning with democratic values and practices. This was a very serious, probably fatal flaw for the technocratic movement. Now, the New Deal, and more specifically TVA as the flagship agency of social liberal programs, did not make the same mistake. It is likely that Lilienthal and other leaders of autonomous bureaucracies drew crucial lessons from the failure of the technocratic movement. The New Deal, for example, did not grant engineers a particularly eminent position (Ndiaye 2007, 228). Lilienthal was a lawyer and public intellectual, and he saw himself as the leader of a democratic movement that combined grass-roots democratic practices with technical expertise for the promotion of economic development and social policy.

The publication of *The Managerial Revolution* by James Burnham, in 1941, marks the origins of the concept of technocracy as the designation for a decisively authoritarian type of political domination. In the past, as described above, technocracy was an American political movement which tried to combine technical planning with democratic values, but their focus was almost exclusively on technical planning. The technocratic movement was not authoritarian, but they remained rather vague about the democratic practices that were going to support their planning goals. This left open a weakness, certainly, which James Burnham employed to develop a brilliant attack against the New Deal and TVA, using a revised concept of technocracy as a weapon. The New Deal and TVA had been always very careful to reject any association with the technocratic movement. But Burnham turned the concept of technocracy into a *Weberian ideal type*, and this could be now applied to the New Deal and TVA, even if their supporters rejected indignantly the accusation (as Lilienthal did in his review of Burnham’s book, which we will consider below). By turning technocracy into a Weberian ideal type, Burnham could claim that he was revealing the *deep sociological*

*reality* of the New Deal and TVA, even if the social actors involved had no consciousness of this. Of course, the actual political practices of TVA, including particularly its advocacy of participatory public policy, were simply ignored by Burnham. He employed the Weberian ideal type in an aprioristic manner, without regard for the empirical practices he was supposedly describing. Burnham's book adopted a darkly prophetic tone anyway, so part of its argumentation aimed at revealing a deep sociological reality that had not yet fully manifested itself—empirical evidence could be therefore ignored, since the book was a prophecy.

Be that as it may, the deep sociological reality revealed by Burnham was shocking: the New Deal and TVA were literally the same form of social domination as Nazism and Stalinism, since the three political regimes were forms of "technocracy." We will consider now the development of Burnham's thesis.

A former radical leftist intellectual, and prominent member of the American Trotskyist movement during the 1930s, Burnham became a hardline conservative during the 1940s. Recognized as a genius propagandist by high ranking public officials in the area of national security, Burnham was recruited by the CIA, and he went on to become the head of the CIA's division of Political and Psychological Warfare during the Cold War (Kimball 2002). Burnham's book of 1941, *The Managerial Revolution*, became a huge best-seller after the Second World War, and it made him world-famous, although the reasoning of the book is quite coarse, more in the style of political propaganda than scholarly argumentation.

According to Burnham's main thesis, modern industrial societies are in the process of being dominated by a new ruling social class, the managers. A revolution is occurring all over the world, although it is not being perceived generally, or at least, it is not being perceived in the United States. The managerial class is replacing swiftly the capitalist bourgeoisie, and thus a new system of domination develops, "managerial society." In order to consolidate and legitimize this system of domination, the new ruling class, the managers, need to develop original ideologies. According to Burnham, there are three main ideologies being developed for this purpose: Leninism-Stalinism in the Soviet Union, Fascism-Nazism in Italy and Germany, and the New Deal and technocracy in the United States. All these ideologies serve the same purpose, that is to say, the establishment of authoritarian domination by managers:

The ideologies expressing the social role and interests and aspirations of the managers (like the great ideologies of the past an indispensable part of the struggle for power) have not yet been fully worked out, any more than were the bourgeois ideologies in the period of transition to capitalism. They are already approximated, however, from several different but similar directions, by, for example: Leninism-Stalinism; fascism-nazism; and, at a more primitive level, by New Dealism and such less influential American ideologies as "technocracy."

(Burnham 1941, 69-70)

Furthermore, it is not just that these ideologies are similar in promoting the rule by managers. According to Burnham, the political regimes of the Soviet Union, of Nazi Germany, and of the United States under Roosevelt, are all moving towards the creation of the same kind of authoritarian societies, and even "candid" supporters of the New Deal should acknowledge this:

But no candid observer, friend or enemy of the New Deal, can deny that in terms of economic, social, political, ideological changes from traditional capitalism, the New Deal moves in the same direction as Stalinism and Nazism.

(Burnham 1941, 211)

Again, the conclusions and practical proposals of the book are rather simplistic, but their coarseness made them no less effective. Burnham calls to fight against the New Deal, and to support the right wing of the Republican Party, that is to say the "Tory" Republicans, which had been furiously opposed to the New Deal from the beginning:

There is nothing sham or hypocritical about the Republican Tory defense of "liberty." The liberty in question means, in reality, capitalist liberty. Historically and today the Republican Party is the authentic representative of capitalist liberty and capitalist progressivism. These it is trying to defend, without success, against the New Deal onslaught.

(Burnham 1941, 159)

We will explain in a moment why Burnham had to defend the Republican Tories from the accusation of hypocrisy. But first let us consider the connecting link between Nazism, Stalinism, and the New Deal, defined by Burnham as the Weberian ideal type "technocracy." The final goal of those three regimes, according to Burnham, is the establishment of technocracy or "managerial society,"

that is to say, social and political authoritarian domination by managers. However, at the time of the publication of *The Managerial Revolution*, the designation of “technocracy” was still very much associated with a specific political movement, the American technocratic movement, a fact that Burnham acknowledges. Smyth, who coined the term, had published a book with the title *Technocracy* already in 1920. However, the technocratic movement declined rapidly during the 1930s, as a result of the success of the New Deal—which was much more sophisticated, politically and intellectually, compared to the technocratic movement, as described above. Burnham states in the book that “technocracy,” in the sense of the American technocratic movement, shares fundamental principles with the three kinds of managerial regimes. Therefore, in the years following the publication of the book, Burnham’s horror scenario of domination by managers came to be simply designated by the concept of “technocracy” instead of the other, less catchy designation that he also used in the book, “managerial society”:

Technocracy is another example of an American variant of the managerial ideologies. Technocracy has not had a very wide direct public influence, but much has been taken over from it both by New Dealism and also by communism and fascism. As a matter of fact, Technocracy’s failure to gain a wide response can be attributed in part to the too-plain and open way in which it expresses the perspective of managerial society. In spite of its failure to distinguish between engineers and managers (not all engineers are managers - many are mere hired hands - and not all managers are engineers) yet the society about which the Technocrats write is quite obviously managerial society, and within it their “Technocrats” are quite obviously the managerial ruling class. The theory is not dressed up enough for major ideological purposes.

(Burnham 1941, 166-167)

Smyth, who died in 1940, would have been certainly appalled to know that his concept of “technocracy,” which was supposed to describe the well-ordered articulation of expert planning with American democratic ideals and practices, became the designation for Burnham’s dystopia, a shockingly authoritarian social model represented by Nazism, Stalinism, and Roosevelt’s New Deal. Nevertheless, a key for the success of the concept of technocracy, in the years following the publication of *The Managerial Society*, was the fact that it became disassociated from its rather coarse polemical use by Burnham. His argument stating that the dystopian technocracies of his day were those run with an iron fist by Hitler, Stalin, and Roosevelt, was soon forgotten, and the concept of “technocracy” became an established Weberian ideal type in the social sciences.

The shrill and darkly prophetic tone of Burnham's book was one of the main reasons for the fact that its two most renowned critics, David Lilienthal (1941) himself, and George Orwell (1946), did not take it very seriously. This was most certainly a mistake. Roosevelt had developed, as a successful rhetorical strategy, the practice of making fun the right wing of the Republican Party, the so-called Tory Republicans, and their political association, the American Liberty League. Under the claim of defending political liberty against the "fascist dictatorship" of Roosevelt, the Liberty League had been fiercely opposed to the New Deal from the beginning, as mentioned above. However, following Roosevelt's lead, the press frequently published cartoons of the supporters of the Liberty League as pot-bellied capitalists in frock coats, champing on cigars, and sitting on big sacks of dollars (Ndiaye 2007, 139). The Liberty League had been created with ample financial backing provided by the DuPont family, and other representatives of big business. That was the reason for the accusations of deceit and hypocrisy, which Burnham mentions, and tries to counteract as unfair. In fact, it was generally assumed that under the banner of liberty, big business representatives were using the Liberty League to promote a narrow understanding of their own commercial interests against the New Deal.

As said before, Lilienthal did not take Burnham's *The Managerial Revolution* very seriously, but he grudgingly conceded that the book was important, especially as propaganda. His review of the book begins with a sarcastic tone, but immediately concedes that the book will probably be very effective:

This is an important book. It is superficial, pontifical, and [...] full of unsupported assumptions [...] but no administrator in public or private enterprise should fail to read it [...] We are told that certain events are "inevitable," that we have no choice [...] This finality, this cocksureness, is an effective propaganda method.

(Lilienthal 1941, 390)

In the review, Lilienthal opposed Burnham thesis, that is to say, that managers or "technocrats" were assuming absolute authoritarian power over American society, with two main arguments: 1) that managers themselves were capable and willing to promote democratic values and practices in the running of bureaucratic agencies, as clearly shown by empirical experience, that is to say, by the actual public policy styles developed by TVA and other public agencies in the United States, and 2) that the American people had a choice in the matter, in other words, that it was completely

misleading to claim—as Burnham did—that the coming of an authoritarian managerial society was inevitable. Nevertheless, this was a short review, and Lilienthal went to develop those arguments—particularly the first one—in much more detail with his book *Democracy on the March*. The publication of Lilienthal’s book in 1944 shows that he did, in the end, take seriously the challenge posed by Burnham. But the review of 1941 was perhaps a missed opportunity, since Lilienthal made the mistake of mostly making fun of Burnham, without emphasizing enough the historical absurdity of Burnham’s equivalence of Hitler and Stalin with Roosevelt and the New Deal. Lilienthal mocked Burnham in a similar style to the one employed by Roosevelt to ridicule the Liberty League. However, Burnham would be revealed, in the long run, as a much more dangerous enemy of developmental state agencies and social programs. The Liberty League could be derided as a bunch of millionaires trying to stop the New Deal in order to promote a narrow vision of their own self-interest, and they were soundly defeated. In the end, however, Burnham won.

The creation of the magazine *National Review* in 1955 was the beginning of a reorganization and redefinition of the Republican Party in American politics. The magazine created and developed the basic principles of movement conservatism, which was at first defeated with the presidential candidacy of Goldwater in 1964, but became finally triumphant with Reagan after 1980. James Burnham was a senior editor of the magazine from the very beginning. Moreover, as William Buckley Jr., the magazine’s long-time director, readily acknowledged, Burnham was “the number one intellectual influence on *National Review* since the day of its founding.” (quoted in Kimball 2002) As one of the topmost political figureheads of movement conservatism, Reagan literally began his political career attacking TVA as an example of “creeping socialism,” (Weisberg 2016, 39) very much following the intellectual and propagandistic inspiration provided by Burnham.

### **(C) Technocracy in Mexico and in Latin America**

It is a well-known paradox in the history of ideologies and power that political movements, after defining and fighting their adversaries for long periods of time, sometimes end up sharing profound similarities to the regime they were fighting against. Moreover, this paradox has a tendency to reveal itself precisely at the moment when political movements finally defeat their enemies, after a protracted and difficult struggle, so that those movements can now wield power themselves.

Nevertheless, it so happens that often the fundamental and most evil traits of those enemies only exist in the imagination, or in the propaganda, of a political movement. The paradox can in those cases become double: the victorious political movement ends up resembling not so much the reality of the defeated regime, but their own fantasy or propaganda about it.<sup>1</sup>

Movement conservatism, in its decades-long struggle against the New Deal and the developmental state agencies, is an excellent case study for the double political paradox described. Because one of the fundamental principles that contributed to the political and public policy success of the New Deal was the careful avoidance of technocracy, in the sense of exercise of power by an elite that isolates itself in its own expertise or superior wisdom, and that implements planning in a vertical, authoritarian manner. By the time the conservative revolution succeeded, however, movement conservatives were already convinced that to dismantle the New Deal, and to abolish developmental state agencies such as TVA, they needed to impose public policy programs from the top down, and that those programs were to be formulated by an elite of experts completely isolated from the rest of the public bureaucracy, and from other social actors. They were probably persuaded that this was the most effective way to wield political power, because Roosevelt had imposed the New Deal, supposedly, as a fascist dictator, as Burnham had been repeating for decades from the pages of the magazine that invented movement conservatism in the first place. Nevertheless, in the United States, it has been very difficult or impossible to ignore democratic checks and balances, and so the dismantling of the New Deal, and the shrinking of developmental and social programs, has only proceeded gradually, amidst constant political struggles. To really succeed in dismantling the New Deal, it is necessary first to prevail in the battle of ideas in the public sphere, by winning over at least a section of the Democratic Party, and possibly a majority of its leadership—as it happened, in fact, with the section of the Democratic Party that came to be known as “neoliberal.”

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<sup>1</sup> This double paradox was first depicted by classical French political authors, such as Lamartine and Tocqueville, in discussing the ascent to dictatorial power of radical Jacobins during the French Revolution. According to Jacobin propaganda, the Old Regime had created a sophisticated and all-powerful police-state. In actual fact, the persecution of political enemies by radical Jacobins, once they were in power, became much more ruthless and effective than anything ever accomplished, or even dreamed of, by the Old Regime—which was rather incompetent in this regard.

However, because transitions to democracy were still ongoing, or they had barely begun, checks and balances were much weaker in several Latin American countries. In this region, the dismantling of the developmental state, and the privatization of social programs and public services, came also to be generally known as neoliberalism. And neoliberalism was imposed in a completely technocratic, that is to say authoritarian manner, in most cases. In Chile, this was the result of the bureaucratic authoritarian character of the military dictatorship. However, as Centeno has shown in detail, neoliberalism in Mexico also operated by means of an unprecedented concentration of power, and of a drastic top-down imposition of public policy. Compared to the technocratic rule of Salinas, the governments of Mexico after the Revolution had been much more democratic in many of their political practices—although the one-party regime of the PRI was authoritarian overall. What Salinas imposed was not bureaucratic insulation or autonomy, it was a new technocratic *isolation* from civil society, which is a very different phenomenon (Centeno 1997, 28). In Latin America, therefore, the Burnham concept of a technocratic regime, which he condemned as a totalitarian dystopia, came to be actually implemented by a political movement inspired by Burnham's highest political goal, the dismantling of the developmental state and of social programs. As Centeno describes the new form of politics introduced by the neoliberal elite in Mexico:

Planning required a new manner of relating the state and the society, a new manner of practicing politics. The form of politics that the new elite introduced was very different from that of their faith in their ability to first define and then obtain this ideal state that makes technocratic systems so antithetical to democratic participation. Even more than a commitment to planning or to a particular economic orthodoxy, it is this faith in their own abilities and a refusal to recognize the legitimacy of conflicting interests that best characterizes the political thought of those who took over the Mexican state during the 1980s.

(Centeno 1997, 117-118)

In sum, the concept of technocracy can be applied to the Mexican neoliberal elite, because that is the way they operate in government: top-down, isolated from society, and authoritarian. But to apply the same concept of technocracy to TVA and to other development agencies in Latin America, created according to the TVA model and normative ideals, is completely misleading. We suspect that because of the widespread diffusion of critical studies of neoliberalism in Latin America, such as the one written by Centeno, the concept of technocracy came to be applied to all bureaucracies—as if all bureaucracies were the same. However, to describe every bureaucracy as a technocracy is wrong, conceptually and politically.

In sum, instead of a “politics of technocracy” to describe any attempt by bureaucracies to preserve their autonomy, a designation such as Carpenter’s “politics of bureaucratic autonomy” is much more precise and less misleading. Carpenter’s concept does not imply that every bureaucracy is a technocracy, because such an assumption is not theoretically or empirically warranted. Some bureaucracies are clearly democratic in their goals and procedures, TVA being one of the foremost examples in this regard.

We suspect, moreover, that the widespread application of the concept of “technocracy” to Latin American expert bureaucracies is probably not helpful, from a theoretical or practical point of view. To paint every bureaucracy as a technocracy obscures the fact that bureaucracies need to develop political skills, and democratic organizational tools, in order to preserve and consolidate their autonomy. In order to be successful, in other words, bureaucratic leadership has to be politically skillful, and proficiently democratic in terms of organization and outreach. There is nothing “technocratic” about efficient bureaucratic leadership, the opposite is the case, this kind of leadership is very political and democratic, as shown by TVA and other cases discussed by the empirical literature.

In sum, bureaucratic leadership should not be described as “technocratic” as a matter of course. In view of Carpenter’s discussion of the politics of bureaucratic autonomy, as well as TVA’s historical experience, effective bureaucratic leadership has to be political and democratic. If any bureaucratic leadership is to be characterized as “technocratic”, such a judgement has to be empirically grounded, showing that the style of leadership in question was authoritarian, top-down and deliberately isolated from social actors.

## **2. Bureaucratic autonomy and infrastructural power**

A last related point we would like to raise in these notes concerns the conceptual and empirical differentiation between bureaucratic autonomy and centralization. The issue is important by itself, and we are trying to establish a certain consistency in this regard among the different contributions to the book.

The differentiation between bureaucratic autonomy and centralization is important in the study of developmental agencies. The differentiation was shown already with the first developmental agency in Latin America, CORFO, created in Chile in 1939. Chile did not create diverse regional development agencies, but instead one central national development agency, CORFO. This can be appropriately described as an element of the “geographic centralization” of the Chilean state. However, the issue of centralization and decentralization can work in two levels or dimensions: the geographical dimension, on the one hand, and the functional dimension, on the other hand.

Although centralized in the geographical dimension, the delegation of powers to an autonomous or independent bureaucracy such as CORFO, during the period 1938-1958, implies that the Chilean state became more decentralized—in the functional dimension—during that era. In the literature, bureaucratic autonomy and centralization are not always separated. However, the functional dimension is crucial for the development of modern bureaucracies. From a functional point of view, bureaucratization is *the opposite* of centralization. We will examine now the kind of bureaucratization that develops through the creation of autonomous or independent bureaucracies such as CORFO, in order to show why bureaucratization and centralization are opposites.

First of all, it is important to notice that the autonomy or insulation of government agencies means that they are autonomous from the executive power, as well as from other social actors such as businesses, political parties, and interest groups. The best-known early institutional model for autonomous or insulated bureaucracies has been the design of *independent agencies* in the United States, and such public organizations have been classically defined by Davis and Pierce (1994, 46) as agencies that are, precisely, “insulated from presidential control in one or more ways.”

In other words, the political leadership of the state cannot impose its will on autonomous agencies by definition (this is a conceptual/legal differentiation, we offer empirical examples below). Autonomous or independent agencies do not contribute to concentrate power on the executive, quite the opposite, they contribute to the diffusion of state power in diverse public organizations, which results in the further circulation of power across multiple social networks.

Secondly, in order to differentiate conceptually the two kinds of power, that is to say “concentrated” and “decentralized” (bureaucratic) power, we suggest to follow the distinction between “despotic” and “infrastructural” power according to Michael Mann (1993). For Mann, it is a widespread misunderstanding to think that all power has to be “monocratic” in order to be strong, or effective. He blamed Weber for this misperception, that is to say, for the false notion that “effective” power has to be centralized or concentrated. A kind of centralized state power has been historically significant in the early consolidation of Western state institutions, i.e. “despotic” power, but what makes successful modern states unusually strong, according to Mann, is their “infrastructural” capacity. Infrastructural capacity is the power created by bureaucracy and administration, and it is not concentrated or monocratic. Technocratic and bureaucratic power are complex, and multiple; in modern states the bureaucratic administration is not a monolithic whole: “Technocracy and bureaucracy is inherently specialized and multiple, increasing state complexity, as stressed by cock-up-foul-up theory. Nothing has more misled analysis of actual states than Weber’s notion of monocratic bureaucracy. State administration almost never forms a single, bureaucratic whole.” (Mann 1993, 68) To summarize, the development of modern bureaucracies implies decentralization of power, because modern bureaucracies are functionally diversified and multiple.

As said before, the bureaucratic autonomy or insulation of a state agency means that the agency is not subordinated to the executive power, and not captured or subordinated by other social groups or political parties. In order to provide an empirical case that illustrates this definition, we come back to the most widely studied case of a successful developmental agency, and a model for bureaucratic autonomy, the Tennessee Valley Authority (TVA). Created in 1933, TVA was able to run exceptionally successful programs to reduce poverty, and promote the economic development of a vast geographical area in the United States. By legal design and political practice, professional autonomy or insulation from politics was one of founding ideals or “myths” of TVA. This ideal or myth of autonomy came quite close to empirical reality most of the time, considering that certainly no institution can be completely “pure” to its ideals, or at least not all the time. Nevertheless, the historical record shows clearly that no major decisions of the TVA were manipulated by the President, Congress or interest groups. This is discussed at some length by Hargrove (1994, 7 and passim). As mentioned in the first section of these notes above, it is critical to realize that this did not mean a “technocratic” style of leadership at all. Among the keys to TVA’s extraordinary

public policy (and image) success was the original creation by the agency of an ideal of “grass roots democracy” to support public policy formulation and implementation (Hargrove 1994, 27). Again, grass roots democracy represented a founding “myth” of TVA, which sometimes was strictly followed in practice, and sometimes played a rather decorative role. But the fact that TVA created the notion, and consolidated a set of practices promoting public policy supported by grass roots movements, had a huge impact in any case.

As also mentioned in section one above, Carpenter (2001; 2010) has examined empirically diverse other bureaucratic agencies that were able to consolidate their operational independence and insulation from politics since the beginning of the twentieth century in the United States, using diverse political and organizational tools for this purpose.

In contrast, finally, the creation of autonomous or insulated bureaucratic agencies was always problematic in Latin America, the only partial exception being Chile. As shown in diverse contributions to the present book project, several Latin American countries created regional development agencies following the model of TVA. However, the model was not followed consistently as regards the autonomy or insulation of those agencies. Political clientelism and interference from the executive power were a problem from the beginning in Brazil, as well as in other countries. CORFO was an exception, it had an extraordinary run of 20 years with strong autonomy and insulation from politics. Moreover, in his detailed study of CORFO, Cavarozzi (1975) has shown that Alessandri’s brutal reaffirmation of presidential authority, by means of CORFO’s drastic political purge of 1958, did not benefit him politically, the opposite was the case.

From among all the Latin American cases, the Chilean is certainly the one that has gone furthest towards its consolidation as a modern, bureaucratic state. From a functional perspective, this means that the Chilean state adopted early on the model of multiple autonomous bureaucracies, that is to say, a high degree of *functional decentralization*. Jacksic’s (2013) chapter in a previous book for this same project, as well as the conclusions of the book (Centeno and Ferraro 2013), analyze the case of Chile in some detail. The key for the relatively successful building of a modern state in Chile was the delegation of power to non-partisan, expert bureaucracies, a process which began already strong in the nineteenth century. Those expert bureaucracies were put in charge of public organizations with strong autonomy or insulation from the executive and legislative powers.

Nevertheless, during the twentieth century, there were some struggles concerning the issue of institutional design in Chile, and presidents retained the capacity to wreck autonomous bureaucracies, as Alessandri did with CORFO in 1958 (Cavarozzi 1975, 355-357). But the Chilean state has consolidated a strong functional decentralization, in comparative terms, and this is part of the “informal” constitution of the country (Schulze-Fielitz 1984). Precisely because of its functional decentralization, the Chilean state is the strongest in terms of infrastructural power, and it can be described as the most modern, bureaucratic state in Latin America.

Now, as discussed above, Mann denounced as a myth the notion that “strong” and “effective” state power has to be centralized and concentrated. Furthermore, Mann blamed Weber for this common misconception. Certainly, such a Weberian misconception remains relatively widespread among Latin American political scientists. Because of this, many Latin American political scientists tend to believe that the Chilean state, since it is quite strong in the region’s comparative context, has to be the most centralized and concentrated. This misconception is compounded by the circumstance that the Chilean state, as a matter of fact, is very centralized, but only from a geographical point of view. From a functional point of view, the Chilean state is quite decentralized. Beginning in the 19th century, the Chilean state has consistently created autonomous, insulated bureaucracies that are put in charge of public policy formulation and implementation in certain key policy areas.

When all is said and done, however, CORFO’s drastic purge of 1958 shows that, even in the case of Chile, bureaucratic insulation is very difficult to preserve in Latin America, and sometimes presidents demand to reestablish their political authority over insulated bureaucracies, with disastrous results.

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