

**MARSHALL DIMOCK'S THEORETICAL LEGACY:  
REVISITING TWO CENTRAL THEMES IN  
HIS *FREE ENTERPRISE* BOOK**

**DANIEL BARACKSKAY**  
Valdosta State University

**ABSTRACT**

Marshall Dimock was a theoretician who wrote extensively on administrative theory and public administration in the mid-twentieth century. One of his principal works was *Free Enterprise and the Administrative State (1951)*, a scholarly yet neglected source that examines the capitalist market-system and the administrative state. In that book, Dimock develops two central concepts: institutional “bigness” through collectivization, and “sectoral resemblance.” This article examines these two concepts from a contemporary perspective. By exploring trends and practices with the use of modern technology, we find that societal organizations, whether in business or government, need not necessarily be big in terms of number of employees to collectivize power. Also, the ease of accessibility and the affordability of recent technological advancements have vastly expanded an already growing surveillance industrial complex, causing the private and public sectors to resemble each other through their practices, reaffirming Dimock’s historical theses. This is not necessarily constructive for society, however, since business uses economic power for profitability rather than to promote the national interest, and challenges to civil liberties and personal privacy arise.

**INTRODUCTION**

The exercise of authority tends to evoke cynicism and suspicion in democratic societies. This is particularly true when power is collectivized within a small number of

*Public Administration & Management*  
Volume 13, Number 2, 1-39

select societal institutions that use it as a means of coercion. That citizens cede personal freedoms to political institutions which hold legitimate authority is a necessary condition for maintaining civility. Yet attaining an appropriate balance between freedom and order remains a formidable challenge in modern societies. This has been particularly true in the United States, where the post-9/11 political system has evolved further into a technological realism where government officials and public administrators represent but a segment of societal power. Political institutions, particularly ones relating to national security, are collectivities of power that symbolize the legitimate use of authority. Concurrently, however, economic power also represents a vibrant influence in society where the effects of collectivization in the private sector have likewise resonated throughout American culture. On occasion, both government and business share power jointly. The evolution of technological advancements has encouraged the expansion and collectivization of different forms of power in both sectors, causing their practices to emulate one another in many instances. This in effect produces a “sectoral resemblance” where business acts like government through its use of economic power, even though its end objectives differ (Dimock, 1951). The formal boundaries of legitimate governmental authority and the private sector’s sphere of economic power can be easily blurred, especially when both share power through joint agreements. Government uses legitimate authority on the basis of constitutional and legal tradition, while business uses economic power to promote a competitive market advantage.

As modern Internet technology, computer science applications, and surveillance modes have become less expensive and more accessible to the private sector, practices (i.e. monitoring, tracking, screening, etc.) once associated specifically with the public sector have become

commonplace in business. This has fundamentally changed the structure of public administration, and how public organizations interface both with the private sector and the rest of society. While analyses on how these technologies affect government are relatively recent and still developing, other core themes from earlier scholarship in the field provide an appropriate foundation for examining these contemporary trends. Two themes of particular relevance are institutional “bigness” through the collectivization of power, and “sectoral resemblance.” Both themes were explored by Marshall Dimock, a theoretician who wrote extensively on administrative theory and public administration in the mid-twentieth century. One of his fundamental works, *Free Enterprise and the Administrative State* (1951) has been a scholarly yet relatively neglected source that theoretically examines the capitalist market-system and the administrative state. Dimock viewed these two sectors as being mutually reinforcing rather than exclusive and adversarial. Using his book as a foundation, this article will argue that while technology has evolved since Dimock’s era, in recent years, it has advanced a collectivization of power within institutions society, causing the private sector to emulate government through its surveillance and monitoring practices. Societal organizations need not be big or have substantial numbers of employees for collectivization to occur and power to be used as an instrument of control. Technology does this for the modern organization. These trends in technology make Dimock’s themes relevant to the process of governance today. Also from this exploration, we will see that advancements in technology have blurred the traditional boundaries that once demarcated public and private sector organizations. The private sector, particularly through new applications like biometrics and data mining (discussed below), emulates government but with the sole ambition of profiteering rather than national security.

## **TECHNOLOGY IN CONTEMPORARY SOCIETY**

Citizens essentially surrender certain freedoms to both big government and big business in our highly complex and institutionalized society. The ideal system would be one where the two sectors balance one another, with regulations and market efficiency mutually promoting the national interest (Dimock 1951). Yet, while the collectivization of power at the institutional level is grounded in constitutional tradition and law in the public sector, it is economically driven in the private sector, even in joint arrangements where the government outsources or privatizes a historically public function. This demonstrates how significant economic and market systems are in American culture, and in inspiring academic movements like the Public Choice and the New Public Management circles.

Contemporary societal organizations depend upon computer applications and surveillance technologies immeasurably as compared to the past. For instance, the public sector uses surveillance technologies as a form of legitimate authority to sustain national security policies, thwart terrorism, promote order at the local level, and monitor and prevent criminal behaviors that break laws, regulations, and public policies. Recently, Internet technology has been applied to streamline government operations and paperwork, promote economic and social policies, and stimulate transparency and responsiveness in public organizations. Public Internet usage permits considerable access to agency information and documents. Americans reference agency Internet sites for knowledge and immediate access to inquiries relating to utility bills, agency services, tax records, etc.

The private sector uses surveillance technologies from an economic standpoint. Motivated by profitability, business commonly tracks consumer behavior and constructs vast databases of consumer spending patterns which are used (or sold to other organizations) to market products and services. It also records personal credit and purchasing histories which can later be used to authorize or deny a service or access to a location. The private sector uses surveillance technology and other computer-based applications to mirror the perception of authority, but not from the standpoint of constitutional legitimacy. This is because, as Buchanan states, "an entity has political legitimacy if and only if it is morally justified in wielding political power, where to wield political power is to attempt to exercise a monopoly, within a jurisdiction, in the making, application, and enforcement of laws" (Buchanan 2002, 689-690). The public and private sectors can also utilize surveillance technologies jointly, which has become more common in recent times. In these instances, the government represents a legitimate source of authority that delegates power, selected functions, and tasks to business which in turn receives monetary rewards.

#### *Post-9/11*

That public officials have used technological advancements to respond to crises is apparent. The U.S.A. Patriot Act (H.R. 3162), signed by President George W. Bush on October 26, 2001, is the most recently criticized expansion of public authority. It expanded the powers of law enforcement agencies to prevent terrorism domestically and abroad with the War On Terror, and stirred an expected upsurge of challenges posed by ardent civil liberties groups. Law enforcement agencies were given authority to monitor telephone and e-mail communications, and other medical and financial records to thwart future acts of terrorism. The act also eased prior restraints for gathering

foreign intelligence, and conferred new oversight powers to electronically track the monetary funds of foreign groups abroad believed to be building terror networks with the U.S. Department of the Treasury. In July 2005 the U.S. Senate passed a reauthorization bill to continue the U.S.A Patriot Act, but with significant changes that contrasted with the House's version. A conference committee reconciled the two versions of the bill, passing it on March 2, 2006, with President Bush signing it on March 9, 2006.

A reorganization of over 100 executive branch agencies under the broader umbrella of the Department of Homeland Security in 2002 signaled that a bureaucratic maze persists. This provides evidence that collectivization of power retains significance, particularly in times of crisis. In addition to these public sector policies, use of new age video surveillance applications, biometrics systems, and computer science applications (discussed below) have become commonplace in business, indicating their applicability in marketing and commerce. The use of such devices is developing more quickly than legislative policies and judicial precedents, thus testing the traditional standing of civil liberties and the frontiers of legitimacy. Surveillance technology has become a multi-billion dollar industry, expanding exponentially over the last decade to impact virtually every facet of life.

These trends will be discussed in greater detail below in relation to the foundational arguments posed by Marshal Dimock, that institutional "bigness" through collectivization of power, and "sectoral resemblance" both pose significant challenges to a democratic society. Let us explore Dimock's scholarship more thoroughly.

## MARSHALL DIMOCK'S THEORETICAL STYLE AND CONTRIBUTION TO PUBLIC ADMINISTRATION

It has been more than fifty years since Marshall Dimock published his classic book *Free Enterprise and the Administrative State* (1951) hereafter referred to as *Free Enterprise*. Technology has evolved extensively since Marshall Dimock's era, but the primary themes outlined in his book of institutional bigness and the collectivization of power, along with sectoral resemblance, endure in contemporary society and public administration. Dimock wrote primarily during the mid-twentieth century. He had distinguished educational and professional careers, receiving a Ph.D. from Johns Hopkins University in 1928, and serving on the faculties at the University of California at Los Angeles, the University of Chicago, Northwestern University, and New York University. He was a community activist, the Assistant Secretary of Labor during the Roosevelt Administration, and a member of the Vermont Legislature from 1949 to 1950 (Dimock, 1980). Dimock's formal training and early work experience spanned the era when scientific methodologies were being developed, and prolific writers like Frederick Taylor, Leonard White, Mary Parker Follet, and Luther Gulick dominated the field of public administration.<sup>1</sup> While Dimock followed these foundational approaches early in his career, he quickly abandoned them in the 1940's for a different style. Dimock employed his theoretical and scholastic talents to inspire ethical and moral values in both the private and public sectors.

For his era, Dimock was unorthodox in his approach, pioneering in his integration of political philosophy, and recalcitrant in his case that neither scholarship from the time, nor pragmatic thought provided

a guiding vision for organizational theory or public administration. His work explored the nexus of activity between the public and private sectors, and sought to stimulate thoughtful discourse on what roles institutions serve in an increasingly complex, yet democratic society. Dimock's *Free Enterprise* explores the capitalistic market-system and the administrative state. To Dimock, the public sector cannot be discussed without dialogue on the private sector, since both exist concurrently and interact with one another. The work is a systematic analysis of the political system consistent with "a high level of abstraction" (Dimock, 1951, v). It uses normative political theory to analyze private and public sector activities, bridging Dimock's keen theoretical sense with relevant discourse from his era in public administration. The result was that he wrote directly to statesmen, civil servants, and business leaders rather than talking down to them, and he did so with conviction and inspiration.

Dimock was not a staunch behaviorist like others who embraced this methodological style in political science starting in the 1950's. His predilection for what was becoming latent political theory was manifestly evident in his scholarship<sup>2</sup> in an era that gravitated more towards the use of positive inquiry. His style noticeably advanced an institutional slant. Dimock's blending of institutional analysis and organizational behavior with normative theory was relatively uncommon in public administration at the time.<sup>3</sup> Dimock argued in *Free Enterprise* that "institutions bulk so large in our community life today that it is natural for administrative theory to forge to the center" (Dimock, 1951, vi). Throughout his scholarship, Dimock reasoned that theoretical and institutional approaches are not separate and exclusive, but instead intertwined. He viewed administrative theory as a reasonable, if not a commonsensical bridge between political science and economics that warranted exploration. But for his

immediate focus in *Free Enterprise*, Dimock embraced a theoretical approach for his analysis of business and government in a democratic society.

### **TWO CENTRAL THEMES IN *FREE ENTERPRISE* *INSTITUTIONAL "BIGNESS" THROUGH* *COLLECTIVISM***

The first central theme advanced by Dimock in *Free Enterprise* concerned institutional "bigness" in society through the collectivization of power, in both the private and public sectors (Dimock, 1951, viii). The term "bigness," used throughout his book, denoted that concentrations of institutional power, irrespective of the sector, present a common threat that justifies reflection and response. Dimock summarized the arguments of other scholars (Rosenfarb, 1948 and Waldo, 1948) from the era succinctly: "the free enterprise system is said to be losing ground in the United States and to be giving way to an all-powerful 'administrative state,' which is the rule of the economy by government or by public administration" (Dimock, 1951, 1). Yet Dimock was not convinced that the generalizations offered by his contemporaries were accurate. He rejected their line of thought to favor the concept of collectivism. Dimock viewed collectivism, an ancillary to bigness, as a danger which "is just as apt to be the private brand as it is the public brand" (Dimock, 1951, 1). While the administrative state has traditionally been stereotyped as the "antithesis" of free enterprise, Dimock instead views the two sectors as mutually reinforcing and complementary. He bridges the gap between government and the free market system by developing administrative theory, which he cultivates through reflection on pre-modern philosophy. This approach provides a viable method for Dimock to advance his premise of institutional

"bigness," while at the same time providing a scathing critique of concentrated power.

The private and public sectors are motivated by contrasting objectives and outcomes. Profitability guides the private sector, and promoting the national interest and democratic values guide the public sector. These divergent missions create perceptibly dissimilar sets of functions and procedures. However, both share a quest for power and influence over decision making and policies in the political system. The pursuit of power in the public sector occurs internally through an indirect republican form of government, but is more exogenously driven by market demand in the private sector.

Dimock argued that distrust of government has a long heritage (Dimock, 1951, 149). The founding fathers created a system of government that separated institutional powers and vested checks and balances in these bodies to avoid the concentration of power. Government functions under a veil of public scrutiny. Despite the disturbing images that writers of fiction and story-tellers painted of authoritarian forms of government in the past<sup>4</sup>, and the austere warnings from his contemporaries, Dimock contends that much of the innate cynicism surrounding the growth of government has been predicated on faulty pretenses. There has been a demonstrable tendency towards the "American practice of exaggerating the faults and berating the underlying necessity of our governmental system" (Dimock, 1951, 152). Business and conservative factions traditionally embraced narrow-minded assumptions that viewed political institutions as conspirators against the free enterprise system, and proponents of governmental intervention, to any degree, were also considered to be subversive of the free market system (Dimock, 1951, 154).

Dimock argues against the concentration of power in either private or public institutions alike. He does not

condone or condemn radical idealists at either end of the ideological spectrum, but instead sees government as a fluctuating entity that escalates and recedes based upon societal needs and existing circumstances. This makes Dimock's scholarship objective and relevant by bridging practice to theory in a meaningful fashion. He recognizes that "the wisest statesmanship holds that government should do only what private enterprise cannot do as well or better, but that if private institutions fail and human values can be furthered in no other way, then government is justified in lending its assistance, hopeful that other institutions will improve their performance and permit it to withdraw" (Dimock, 1951, 173).

Alternatively, concentrations of power, or collectivism, in the private sector are viewed differently, not through the lens of authoritarianism, but capitalism. Dimock argues that the basic elements of the free enterprise system are individual ownership, competition, and freedom of management. The growth of big business is not a recent phenomenon. The concentration of power into monopolies in the private sector began after the Civil War, when a small segment of corporations began to control a majority of the wealth in the country. To stimulate profitability, there have been continuous pressures on businesses to expand capacity. These demands have driven vibrant periods of corporate consolidations and mergers, and have created a paradox where "power to dominate the market is power to rule, and rule is traditionally the function of government. Bigness in business, therefore, takes on the character of political rule" (Dimock, 1951, 173).

There has been an inverse relationship in contemporary society between growth in the sectors. As the size of the administrative state has recessed,<sup>5</sup> particularly under the conservative movement and Reinventing Government initiative, the private sector has instead availed itself of greater opportunities to grow.

However, collective power in private organizations has proven to be more difficult to chastise or prevent, since it has been cultivated under capitalist philosophies. In fact, Dimock argues that during discussions with business people, "you lose any suspicion you may have had that they are hypocrites, talking free enterprise but knowingly acting contrary to its interests... businessmen have not thought consecutively about certain factors that they... dismiss as 'theoretical'" (Dimock, 1951, 112).

As mentioned above, students of public administration must be cautious not to fall into the trap of equating "bigness" exclusively with institutional size or capacity. Dimock notes that monopolies exist at all levels of the private sector. He explains that the expression "degrees of concentration" may be more justifiably used than the term monopoly, since small businesses may exercise monopolies in the free market just as effortlessly as larger ones (Dimock, 1951, 54). But why do corporations seek growth so ardently? Monopolists and oligopolists justify that expansion produces a higher degree of efficiency than would be otherwise unattainable. Dimock argues that they are under the misconception that there are efficiencies in economic size and large volume production (Dimock, 1951, 126).

Efficiency can be conceptually defined and mathematically computed, but Dimock argues that it has been humanized over time by those who created the concept. To Dimock, the true measure of efficiency is balancing power and tasks between the private and public sectors, to avert the potential dangers associated with either sector commanding too much power and creating systemic imbalances (Dimock, 1951, 172). Dimock contends that if the concentration of economic power leads to collectivism, then socialism becomes a form of collectivism since there is an absence of competition and choice (Dimock, 1951, 115). However, business people doubt that collectivism is

dangerous, and “they fall back on what they call the American 'genius' or the American 'spirit.' There is such a thing, to be sure, and it must be preserved and strengthened. But it will disappear unless the economic organization of society makes it possible for new generations to grow up under free and competitive conditions” (Dimock, 1951, 116).

Dimock’s arguments that the business class is persistently atheoretical but purely practical are apparent throughout *Free Enterprise*. Dimock contends that a nondemocratic form of government is realized when industry captures control of political institutions (Dimock, 1951, 71). Under such circumstances, industry uses government as an extension of itself and seizes control of the political process. If this concentration of power goes unchecked, it leads to “a steady and unrelenting conversion of private monopolies into state monopolies, ending at last in state socialism” (Dimock, 1951, 72). This concept of capture theory was further developed by Bernstein a few years later, who argued that regulatory agencies progress through predictable life cycles, eventually becoming pawns of private industry and champions of the status quo (Bernstein, 1955).

#### *Sectoral Resemblance*

The second central theme in *Free Enterprise* is advanced through Dimock’s concept of “sectoral resemblance,” a related corollary to his institutional bigness thesis. Dimock argued that “when concentration of power occurs, it affects all institutions; that the bigger the institutions of business and government become the more they resemble each other” (Dimock, 1951, ix). This resemblance concept was unorthodox for the time since Dimock wrote in an era when the core of criticisms targeted a seemingly large interventionist state. Dimock was an iconoclast, and instead offered a counter-scenario where the

corporate collectivism of economic power could conceivably dwarf institutions of government and just as plausibly undermine democratic values in the same fashion that an authoritarian government could. Dimock saw the realization of this scenario as "private socialism" (Dimock, 1951, 66). Under such circumstances, the administrative state would shrink as institutions of business expand to command a perceptibly more robust stature in society, and ultimately squash legitimate political institutions. This scenario is ominously reflective of the environment during the Reinventing Government movement of the 1990's, which called for a retraction in the American state and vested confidence in the use of market mechanisms, privatization, and outsourcing rather than formal public bureaucracies (Rosenbloom, Kravchuk, and Clerkin 2009).

Dimock revolved his arguments around the notion of concentrated power, which is not a new proposition, but has instead been the object of an enduring debate that parallels the thought embraced by elite theorists and other critically-minded thinkers.<sup>6</sup> However, what separates Dimock from these other critics was his vision that business could just as feasibly come to emulate the very restraints and control structures that left-leaning governments impose on their citizens, but without the legitimacy of the state, hence his concept of resemblance. Their practices emulate each other, even when their objectives differ. Dimock's style was not socialist or overtly leftist. In fact, Dimock had been a communitarian and strong advocate of shrinking the administrative state by using voluntary arrangements and organizations to moderate the need for government regulations. He called on business people, statesmen, and citizens alike to actively work together to diffuse power and reduce the necessity for large public institutions. This in effect would result in a balance between regulations and market efficiency.

But as American society has evolved through technology, the distinctions between legitimate authority and economic power have become more complicated and their practices blurred. Economies of scale have pushed technology prices downwards, making it accessible and widely used. This has blurred the traditional boundaries between legitimate authority and the use of surveillance technology for economic purposes. A vast “surveillance industrial complex”<sup>7</sup> has been constructed which permeates virtually all aspects of American life. A precise statistical extrapolation of computer and surveillance application usage in American society is unworkable since its extensiveness has not to date been documented. However, the below analysis will examine particular examples, specifically biometrics systems and data mining, of how technology is harnessed by both sectors in the modern surveillance industrial complex, extending Dimock’s sectoral resemblance thesis further.

As mentioned above, there is a perceptual side to Dimock’s arguments, which are more discernible in this second theme. His resemblance theory is more qualitative, indicative of his normative approach. Dimock is moderate in his critique of institutional power, leaning neither towards business nor government. In his own words, Dimock states, “public administrators, like empire-building businessmen, often have voracious appetites” (Dimock, 1951, 174). He objects to socialism for the same reasons he opposes the concentration of economic power in capitalist economies. In such cases, oligarchies only gain momentum, and individuality is sacrificed at the hands of pretentious politicians and business people (Dimock, 1951, 167). He speculates that only through planning and foresight can we devote the necessary resources and attention to deter problems and prevent government from becoming too broad in scope and power. Also, the more active voluntary groups are in alleviating societal pressures,

the less responsibility society needs to place onto the shoulders of government officials (Dimock, 1951, 158).

Yet, Dimock's critical side leads him to conclude that "it is an immature rambunctiousness that makes some men want to accumulate power in order to feel big... They are a greedy quest for power and influence. They convert the free enterprise system into a political government and will eventually lead to socialism" (Dimock, 1951, 113). To Dimock, when big business burgeons excessively, it comes to mirror big government, creating an environment where there is little to choose from in terms of organizations, management practices, and overall efficiency (Dimock, 1951, 123-4). Business practices emulate those of authoritarian regimes. Dimock advances the idea that the bigness factor leads to the disappearance of distinctions between private and public management. He queries whether business and government increasingly resemble each other when institutions centralize power, which he positively affirms throughout his discourse (Dimock, 1951, 118).

Dimock takes this line of reasoning a step further by questioning whether the familiar labels of "business" and "government" are lost when institutions from either sector grow to magnitudes of great size. He also affirms this tendency (Dimock, 1951, 107). This makes the need for decentralization imperative, which is problematic in contemporary society when technological advancements make monitoring easy and information is centralized in large databases, as is the case with data mining as discussed below. The tendency for organizations to standardize operations, functions, and outputs inexorably leads towards centralization. The entire process becomes cyclical and leads back towards bigness and institutional resemblance. The outcome is, "the larger the unit of private management, the more similar, as a rule, are its points of resemblance to typical governmental management of similar size... The

bigger a corporation grows, the more like political government it becomes” (Dimock, 1951, 122). Dimock does not offer a specific quantifiable figure or percentage that makes an institution big in terms of economic wealth or number of employees. Rather, he suggests a perceptual side that leaves the issue open to contemporary interpretation.

*Dimock’s Concepts of Institutional Bigness and Collectivization: Current Trends*

Dimock intended his principle of bigness would be as much predicated upon perceptions as it is on empirical measures used to calculate concentrations of institutional power. Institutional bigness has become endemic, if not inevitable over time. This is not just in terms of number of employees, but also economic significance and influence. If updating his book today, Dimock would have likely examined current trends to test his thesis on bigness and collectivization.

In unitary terms, the public sector is relatively fragmented. There are more than 87 thousand governments in the United States today (U.S. Census Bureau, 2008, 414). While there was a perceptible decline in the number from approximately 116 thousand in 1952 to just over 91 thousand in 1962, the number has been relatively constant around the 87 thousand mark for the last two decades.<sup>8</sup> This trend in the public sector has occurred at the same time as the private sector has expanded substantially, offering significant opportunities for the collectivization of economic power, as discussed by Dimock. The total number of firms in the United States approximates almost 5.9 million.<sup>9</sup> This creates a ratio of approximately 1 governmental unit for every 67 firms. Further, the tendency for organizations to consolidate into larger entities and reaffirm Dimock’s notion of collectivism has primarily occurred in the private sector. While the number

of governments has been relatively constant over the past two decades, the number of mergers and acquisitions in the private sector have exhibited an upwards trend. From 1990 to 2000, the number more than doubled from 4,239 to 11,169. The number has remained relatively constant at approximately 7,700 per year in recent times.<sup>10</sup>

Employment trends are also a relevant indicator when examining institutional bigness, although once again, Dimock emphasized the importance of economic and societal perceptions for bigness as well. There is distributional resemblance between the private and public sectors. Recalling Dimock's contention that Americans have always been cautious of the totality of the administrative state, we find that there are approximately 21.7 million employees working for the national, state, or local governments. Of this number, about 2.8 million are employed at the federal level (U.S. Census Bureau, 2008, 296). A substantial incremental increase in the number of federal employees began around 1881, and then an explosion occurred during the New Deal era and the subsequent two decades (Rosenbloom, Kravchuk, and Clerkin 2009).<sup>11</sup> These trends were reflected upon, if not criticized by skeptics from Dimock's era. More recently, calls to reform government and to "do more with less" by the Reinventing Government movement has led to a decline in the number of public sector employees (particularly at the federal level), a trend which occurred throughout the 1990's. Over 87 percent of employees in the public sector work at the state and local levels, scattering power and authority to lower tiers in the political system. Table 1 below shows these comparisons.

Table 1  
*Comparison of Size and Ratio of Public and Private Sectors*

<b>Sector</b>	<b>Number of Units</b>	<b>Ratio of Units</b>	<b>Number of Employees</b>	<b>Ratio of Employees</b>
<b>Public</b>	87,500 governments	1 government	21.7 million total of which 2.8 million are federal	1 government employee
<b>Private</b>	5.9 million firms	67 firms	115.1 million	5.3 private sector employees
Source: Data in table gathered from U.S. Census Bureau, 2008 figures				

Stillman argues that a closer examination of employment in the public sector shows that the concept of “big bureaucracy” is a misnomer, since government is actually composed of very small organizational units at the grass roots level (Stillman, 2004, 10). In fact, 57.4 percent of public organizations employ between 1 to 4 people, 15.4 percent between 5 to 9 people, and 12.7 percent between 10 to 24 people. The remainder is found in organizations that employ more than 25 employees (Goodsell in Stillman, 2004, 10). Much of this change and progression away from bureaucratic hierarchies and command and control structures was inspired by movements like the New Public Management, the New Public Administration, and the New Public Service. The private sector mimics this distribution. A total of 115.1 million employees are employed in firms (U.S. Census Bureau, 2008, 496). Sixty-one percent of private sector firms employ between 1 to 4 employees. Approximately 18 percent employ between 5 to 9

employees, and 10.7 percent employ between 10 to 19 employees. The remainder employs 20 or more employees (U.S. Census Bureau, 2009, 498). Small firms (100 employees or less) account for a vast majority of the nation's nonfarm businesses and employ well over one-half of the nation's private sector work force. The tendency has been towards employment in small to medium-sized firms than larger ones. This parallels the trend in public sector organizations, meaning that economic power is still wielded in institutions that may not necessarily employ large numbers of workers. Government employment comprises 18.8 percent of the total number of employees, representing a ratio of 1 government employee for approximately every 5 private sector employees.

Table 2  
*Comparison of Size and Ratio of Public and Private Sectors*

<b>Public Sector Employment by Size of Organization</b>		<b>Private Sector Employment by Size of Organization</b>	
<b>1-4 employees</b>	57.4%	<b>1-4 employees</b>	61%
<b>5-9 employees</b>	15.4%	<b>5-9 employees</b>	18%
<b>10-24 employees</b>	12.7%	<b>10-19 employees</b>	10.7%
<b>25 and over employees</b>	14.5%	<b>20 and over employees</b>	10.3%
<b>As a Percentage of the Total Labor force: 18.8%</b>		<b>As a Percentage of the Total Labor force: 81.2%</b>	
Source: Data in table gathered from Stillman 2004 and U.S. Census Bureau, 2008 figures			

Dimock cautioned that a concentration of power in private sector firms would lead to the same menaces to freedom that a cumbersome administrative state provokes, that it would represent a form of “economic rule.” From an

economic standpoint, movements like Reinventing Government have in fact encouraged the bureaucratic state to regress. Public institutions have developed methods to extend their resources and “do more with less.” There has been less in constant dollar revenue streams derived from taxes. Aggressive increases in tax rates are unlikely given that they are politically unpopular. This means that budgets and growth in the public sector will continue at an incremental pace. The private sector has no such constraints, and collectivization of economic resources has expanded. The emphasis is on profitability, which cultivates an environment of economic collectivism and growth. This has been funneled into new technologies, which will be discussed in greater detail below. Boards of directors and stockholders expect profits to increase. Recent economic indicators show that the public sector accounts for a much lower percentage of expenditures than the private sector. Total Gross Domestic Product (GDP) has exceeded \$13.6 trillion in recent years (U.S. Census Bureau, 2008, 431). Total government spending accounted for \$2.7 trillion of this figure, or approximately 20 percent of the GDP (U.S. Office of Management and Budget, 2009, 22 & 25). The remaining \$10.9 trillion, or 80 percent of the GDP resided outside of the government. This indicates that most of the economic power is concentrated in the hands of private industry. This is a ratio of spending where the government expends approximately \$1 for every \$5 spent by business. The private sector is vaster in size, economic wealth, and overall scope, since it also extends beyond national borders into foreign countries. Table 3 below shows these comparisons.

Table 3  
*Comparison of GDP Expenditures for the Public and Private Sectors*

<b>Total Gross Domestic Product (GDP) = \$13.6 trillion (2007)</b>			
<b>Sector</b>	<b>GDP Expenditures</b>	<b>As a Percentage of GDP</b>	<b>Ratio Between Sectors</b>
<b>Public</b>	\$2.7 trillion	20%	\$1 government spending
<b>Private</b>	\$10.9 trillion	80%	\$5 private sector spending

Source: Data in table gathered from U.S. Census Bureau, 2008 and U.S. Office of Management and Budget 2009 figures

*Dimock's Concept of Sectoral Resemblance: Current Trends*

With advancements in technology, businesses have more easily been able to collectivized power. This trend is much more complicated to explore since comprehensive studies of technology and surveillance applications and usage are scarce. Consequently, this section will analyze specific examples of advancements which have produced the sectoral resemblance effect discussed in Dimock's *Free Enterprise*.

Information exchanges, tracking programs, monitoring software, and other surveillance techniques are easily accessible and affordable. Business uses these applications to advance its status in the market, rather than for national security or the protection of citizens. Dimock considered a scenario where powerful corporations come to "resemble political government in both internal

management and accountability to the public" (Dimock, 1951, 90). Democratic governments are reluctant to abridge personal rights, but none-the-less use authority and various modes of surveillance technologies to prevent criminal and deviant behavior to promote order. In Dimock's era, staunch anti-statist critiques (some of which were posited by business elites) warned of a scenario where a growing administrative state would decimate personal liberties in favor of a centralized command-and-control structure that represses individuality. This was a conservative interpretation that sought to prevent the concentration of power in governmental institutions and promote free enterprise as a liberator of society.

In general, Dimock demonstrated concerns in *Free Enterprise* that the maze of corporate ownership is more diffused than in the public sector, since firms make it difficult for citizens to actually trace who owns the products being produced. This perpetuates an environment where accountability is imperceptible. He argued that this has resulted from efforts by corporations to deflect criticisms of their oligarchically-based leadership by increasing the numbers of investors and trying to blur the impression of managerial control within the organization (Dimock, 1951, 88-9). While transparency laws and the expectation that government will be responsive to needs of the people makes the public sector more translucent, the opposite occurs in the private sector, where "the growth of corporate concentration has been characterized by an accompanying obfuscation of identity and responsibility" (Dimock, 1951, 90).

As noted above, the rise of the surveillance society has come. In the past, American society overwhelmingly rebuked the use of surveillance equipment by government to regulate behaviors. However, modern technology, particularly in the last two decades, has allowed organizations of all sizes to create a vast command and

control infrastructure through surveillance methods and individual tracking. Economies of scale and greater affordability have made surveillance tools cost-effective and more readily available. Around the time Dimock published *Free Enterprise*, George Orwell's novel *1984* presented the chilling vision of a totalitarian regime that utilized video surveillance equipment to control virtually every aspect of citizens' behavior. Orwell was just as brazen in his attacks against concentrated power, but targeted his narratives on the state and not the private sector. Orwell's fables observed that ruling class elites inherently build walls of authority around themselves and despotically issue orders to compel mass obedience and perpetuate state boundaries and institutions. They sustain obedience through surveillance methods and gross violations of personal privacies.

Both Dimock and Orwell viewed the encroachment of inherent freedoms negatively since they obviate essential values that distinguish democratic systems from authoritarian ones. While modern society has not progressed into the big brotherism or the style of totalitarianism that Orwell envisioned, it shows that both sectors resemble each other through their use of surveillance technology, with the primary difference being their purpose and objectives for using such practices. Internet monitoring, closed circuit television, background checks, and GPS systems are but a few tools that have extended institutional control over citizens' lives, in both sectors (Lane, 2003). Private and public sector organizations employ surveillance systems to minimize theft and sabotage, increase productivity, and watch for activities that may plausibly be unethical, if not illegal. While democratic values and the national interest serve as the backdrop for government, profitability and competition motivates business. Public opinion has shown that Americans are, in general, favorable of allowing

government to maintain high standards of secrecy with technology and military tactics to maintain the nation's position as a global leader.<sup>12</sup> The private sector instead employs surveillance technologies not exclusively to promote safety or prevent theft, but to also track consumer buying patterns, and to devise better marketing plans to sell products and services to consumers. This is a competitive goal that is driven by profitability rather than principles of democracy.

Given that there is approximately one governmental unit for every 67 firms in the United States, the opportunities to employ surveillance methods are far greater in the private sector than in the public. In fact, a recent survey by the American Management Association uses a sample of more than 1,600 companies to verify a dramatic increase in the use of various surveillance methods (American Management Association, 2005). The findings indicate that 78 percent of companies use some form of monitoring, either through e-mail, the Internet, telephone, or videotaping. This was up from 35 percent in 1997 (American Management Association, 2005). Fifty-one percent of the surveyed companies in 2005 responded that they use video monitoring. This was up substantially from 33 percent just four years earlier. Telephone monitoring also jumped from 2001 to 2005. Fifty-one percent of companies in 2005 monitored the amount of time that employees spend on the telephone. This was in contrast to nine percent in 2001. The use of Global Positioning Systems (GPS) is becoming increasingly popular by companies. While less than ten percent of firms use GPS to either monitor cell phones or track vehicles, the proliferation of this new technology will undoubtedly make it a more utilized tool in the future (American Management Association, 2005). However, biometric systems and data mining represent two contemporary examples of how technological applications have caused Dimock's sectoral

resemblance effect between the private and public sectors. Let us explore these two examples further.

### *Surveillance Technology and Biometric Systems*

Biometrics systems are a recent addition to the growing surveillance industrial complex, representing “any measurable, robust, distinctive, physical characteristic or personal trait of an individual that can be used to identify, or verify the claimed identity of that individual” (Woodward 2001, 9-10). The use of biometrics has become more prevalent since 9/11 as a method to track terrorist activities. In many instances, such systems are used jointly between government and business, and they have a Closed-Circuit Television (CCTV) component that allows photographic images of individuals to be captured and stored. Government partners with private companies to promote national security, blurring the distinction between political authority and economic power. Business views security and identity management as a multi-billion dollar industry which it can tap, selling new applications and databases to government. Approximately 200 companies in the United States produce some type of biometrics technology. Stock prices in the industry have grown exponentially, with gross sales of approximately \$1.9 billion and rising in recent years. This is a portion of the total surveillance industry, which grosses approximately \$40 billion (Nieto, Dodds, and Simmons 2002, 7-8).

Biometric systems collectivize authority and power through countless applications in both sectors. While the private sector designs and sells these applications, both government and business utilize them to track and monitor behavior. Government employs biometrics as a form of legitimate authority to promote security and law enforcement, and business uses it as a venue of economic power for competitive advantage. For instance, companies sell portable devices to police departments which scan an

individual's fingerprints at a crime scene. At the federal level, the U.S. Federal Bureau of Investigation (FBI) recently allocated \$1 billion to explore the use of biometric applications in government, and to construct the world's largest collective database of physical characteristics for scanning and identifying individuals. The bureau is currently designing a new system called Next Generation Identification (NGI), which will gather and store data for use in identification and forensic investigations. The FBI's database of criminal records discloses information with other government agencies like the Terrorist Screening Center and the National Crime Information Center (Nakashima 2007). The FBI also holds an extensive database of 55 million sets of electronic fingerprints. These are accessed by local law enforcement agencies up to 100 thousand times daily (Nakashima 2007). Iris and palm scanners are additional applications that track individual identities. Newer devices are more integrated, and involve blood vessel scans and similar biological traits. Facial recognition software has developed into a booming industry for the private sector, where computer software scans an individual's face, isolating approximately 80 landmarks and unique attributes which are then used to identify an individual (*Primetime* 2005).

Biometric applications have also been used by the U.S. Department of Defense to generate digital scans of fingerprints and the personal traits of more than 1.5 million Iraqi and Afghani detainees, citizens, and foreigners who have access to U.S. military bases, as well as many other federal, state, and local agencies (Nakashima 2007). The Department of Homeland Security uses iris scans at larger airports in the nation like Boston's Logan International Airport, Providence's T.F. Green Airport, Fresno's International Airport, and Oakland's International Airport to validate the identity of travelers. The development of the Computer Assisted Passenger Prescreening System

(CAPPS II) represents a newer screening system that checks passengers' identities against government intelligence files which contain scans of possible terror suspects. The CAPPS II system is the scourge of civil liberties groups since it also opens access to a passenger's financial and personal data to the Transportation Security Administration (TSA) to help reach verdicts on whether a person is linked to terrorist groups.

On the commercial front, applications of biometrics are just as vibrant, offering business numerous opportunities to collectivize power. For instance, the casino industry, which is most prevalent in Las Vegas and Atlantic City, uses facial programs to monitor players. No data has yet been collected to suggest the accuracy of these systems or the percentage of erroneous accusations. The health care industry has been using biometrics for several years to monitor nursing homes, mental health facilities, and other environments (Nieto, Dodds, and Simmons 2002). The retail industry commonly applies surveillance technology to monitor both employees and customers. Research and development firms likewise use surveillance technologies extensively. These examples represent but a fraction of CCTV and biometrics system applications.

With biometrics systems collectivizing power in both public and private sector organizations, and offering powerful new modes for tracking and monitoring behavior, the future challenge will be to prevent the abuse of such technology and to maintain a sense of privacy. As is often the case with new advancements in technology, legislation and policy-making lags behind in addressing challenges. The effects and impacts are often not realized until months to years later. One study conducted by the California Research Bureau (CRB) examined CCTV and biometric applications in the United States and other countries. It notes trends like declining costs, heightened security, and the accessibility of modern technology as reasons for the

ease of expansion in surveillance practices. Power has been collectivized through surveillance practices in previously untouched areas like public schools, traffic and red light enforcement, transit system monitoring, and surveillance of other crime related activities in society. The study maintained that “private sector applications greatly exceed those in the public sector, including in the workplace, apartment buildings, garages, stores, banks, and restaurants” (Nieto, Dodds, and Simmons 2002, 1).

Critics are particularly scathing and argue that CCTV and biometrics are overtly authoritarian and subject Americans to unwanted scrutiny. The technology has not adequately proven that criminals can be differentiated from the rest of the crowd. Consequently, the entire crowd is scrutinized whether guilty or not (Nakashima 2007). Further, one study by the German government in late 2006 to early 2007 at a train station in Mainz found that the biometrics applications only matched travelers’ faces to a test group 60 percent of the time during the day, and only 10 to 20 percent at night (Nakashima 2007). Another study in the United States found that digitized photos captured of the same individual at 18 month intervals resulted in a false rejection by computers 43 percent of the time (Los Angeles Times 2001).

### *Data Mining*

Data mining is another example of how societal organizations collectivize power, specifically information, for use in influencing decisions and behaviors. Many regard data mining as a science, involving the extraction and use of information from large data sets or databases to judge individuals (Hand, Mannila, Smyth 2001). Databases of personal information have vastly expanded over the past decade, first in terms of the number of records contained in them, and second in terms of “dimensionality,” or the various attributes that are assigned to each record (Taipale

2003). The result has been collectivized information, used as a form of power, to track and monitor the behaviors of American citizens, by both sectors.

Similar to biometrics technology, the private sector retains much of the control over collecting and eventually selling personal data, evoking a sense of sectoral resemblance. Data are “mined” for specific attributes and a system of “pattern recognition” is constructed within databases in order to make decisions and render judgments. In government, this technology has been particularly applicable in local law enforcement agencies and at the federal level with organizations like the FBI (Taipale 2003). Such applications were also used by the Department of Defense in its now non-operational *Terrorism Information Awareness* (TIA) program. The TIA program used other governmental databases plus those purchased from private sector companies to trace patterns of behavior in personal records to pinpoint members of terrorist organizations. TIA used data from personal transactions (i.e. passports, visas, work permits, driver’s licenses, automobile rentals, airline ticket and chemical purchase histories, etc.) to build a list of potentially suspicious activities and people to investigate. The TIA program was eventually discontinued due partly to the magnitude necessary to amass and maintain such a vast up-to-date database, and also because of resistance from civil liberties proponents. Even so, other comparable programs have been created to perform the TIA’s functions, like the *Evidence Extraction and Link Discovery* program, which tracks suspicious behaviors identified by intelligence reports (Taipale 2003). The Multistate Antiterrorism Regional Information Exchange System (known as MATRIX) likewise uses databases from business and government sources to study algorithms which link data together in criminal investigations. The U.S. Justice Department and the Department of Homeland Security,

have supported the MATRIX program with budgetary allotments of \$4 million and \$8 million respectively to expand its scope nationwide (Taipale 2003).<sup>13</sup>

Data mining clearly represents a form of economic power, and reinforces Dimock's resemblance concept. Companies like Acxiom and ChoicePoint store data for mining and in many instances to sell to other companies and/or the government. Such an aggregation of large-scale databases becomes an instrument of power, allowing business to effectively market products and services based upon judgments from data analyses that infer why individuals make the decisions they do and behave in a specific manner (*Primetime* 2005). Much of the recent concentration has been towards the construction of Internet databases. With data existing for approximately 96 percent of U.S. households, the expansive applications of using data mining present an obvious menace to Fourth Amendment protections, specifically "the right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures." While data collection is relatively harmless, its applications can be easily abused through invasions of privacy and the denial of services (i.e. credit cards, hospital care, other credit-related services, etc.). Its use in the private sector resembles tactics employed by authoritarian governments, since virtually every data transaction, from the use of a credit card, to an email account, to a bank statement, serves as a checkpoint where information is documented on an individual's behavior, and companies then use this information to market additional services. Inferences are made on persons whose information appears in the databases, with neither the individual nor company ever meeting personally. With some data mining companies absorbing approximately 40 thousand records daily, for a total of more than 20 billion records on American citizens, the error rate is substantial (*Primetime* 2005).

While data mining practices allow companies to track and monitor behaviors much like authoritarian governments, they lack any sense of accountability or legitimacy which obligates a government to its citizens. Thus, while sectoral resemblance exists through technology and practices, it is delineated by distinctive goals and outcomes between government and business. The true challenge for the future rests in the idea that “data mining (particularly, pattern-matching) should not automatically trigger significant adverse law enforcement consequences for individuals such as ‘black-listing’ or arrest without further review and analysis using traditional methods and procedures of corroboration. Data mining should be considered an investigative tool that can help focus law enforcement resources on potentially useful areas or subjects, but not as a determinant of guilt or innocence” (Taipale 2003, 19).

## CONCLUSION

This article has explored Marshall Dimock’s two primary concepts, institutional bigness through collectivization, and sectoral resemblance from his *Free Enterprise* book. By analyzing contemporary trends in technological advancement, we find that Dimock’s arguments apply in today’s modern society. The use of new technologies is expanding more quickly than legislative policies and judicial precedents, thus testing the traditional boundaries of civil liberties and the frontiers of legitimacy. In essence, when technology is individualized and used for purposes other than legitimate state activities, it can become abusive. Consequently, while surveillance technologies have offered new benefits to society, they have also come to represent serious threats to traditional democratic principles.

This article has shown that organizations need not be large in size or number of employees to collectivize power. Economic and societal influences are also pertinent indicators of collectivism. Further, accessibility and decreasing costs of modern computer systems and surveillance technology has allowed the private sector to engage in practices which were once solely reserved in the public sector, thus reaffirming Dimock's resemblance concept. Law and policy-makers will confront the ever demanding task of balancing freedom and order without changing the design that the founding fathers had envisioned for maintaining a democratic republic.

Marshall Dimock was not only a political scientist, but also a proficient political theorist, and even visionary. Dimock's true gift was applying political theory to organization theory and institutional analysis. From this application came his work *Free Enterprise*, which offers both institutions and civilians a vision for realizing a democratic society where competition, moderation, and morality guide existence rather than large power-driven institutions that usurp personal freedoms and liberties from citizens. To end, Dimock's argued that "if it is shared power and properly distributed, and no one has too much, power is desirable and beneficial. The danger of abuse is less, individual contentment is greater, society prospers, governments remain in check" (Dimock, 1951, 75). This statement attests to the conviction that concentration of power by either business or government in society leads to systemic imbalances where the winning side dominates (Dimock, 1951, 78). This is anything but a democratic form of government, irrespective of whether the power is held by corporations or the government.

## REFERENCES

American Management Association. Spring 2005. "2005 Electronic Monitoring & Surveillance Survey," Association Report.

American Management Association. Spring 2005. "More Companies Watching Employees," American Management Association Annual Survey Reports.

Bernstein, Bernstein. 1955. *Regulating Business by Independent Regulatory Commission*, Princeton, New Jersey: Princeton University Press.

Buchanan, Allen. 2002. "Political Legitimacy and Democracy," in *Ethics*. Vol. 112, No. 4. (Jul., 2002), pp. 689-719.

Congressional Quarterly. 1994. *Atlas of the American Economy*, Washington, D.C.: Congressional Quarterly Press.

Dimock, Marshall E. 1945. *The Executive in Action*, New York: Harper & Row.

Dimock, Marshall E. 1951, *Free Enterprise and the Administrative State*, Alabama: University of Alabama Press.

Dimock, Marshall E. 1958. *A Philosophy of Administration*, New York: Harper & Row.

Dimock, Marshall E. 1980. *The Center of My World*, Taftsville, Vermont: The Countryman Press.

Domhoff, G. William. 1990. *The Power Elite and the State: How Policy Is Made in America*. Hawthorne, New York: Aldine de Gruyter.

Follet, Mary Parker. 1926. "The Giving of Order," in *Scientific Foundations of Business Administration*, Baltimore, MD: Williams and Wilkins.

Goodsell, Charles T. 1994. *The Case for Bureaucracy*, 3<sup>rd</sup> ed., Chatham, NJ: Chatham House.

Gulick, Luther and L. Urwick, eds. 1937. *Papers on the Science of Administration*, New York: Institute of Public Administration.

Hand, D., H. Mannila, and P. Smyth. 2001. *Principles of Data Mining*. Cambridge: MIT Press.

Joint Economic Committee of Congress, 1998. "The Size and Function of Government," Washington, D.C.

Lane III, Frederick S. 2003. *The Naked Employee: How Technology is Compromising Workplace Privacy*, New York: American Management Association.

Lasswell, Harold. 1958. *Politics: Who Gets What, When, How*, New York: Meridian Books, Inc.

Los Angeles Times, "Criminal Faces in the Crowd Still Elude Hidden Cameras," February 2, 2001, Home Edition, A1.

Mills, C. Wright. 1956. *The Power Elite*, New York: Oxford University Press.

- Nakashima, Ellen. 2007. "FBI Prepares Vast Database of Biometrics," in the Washington Post; Saturday, December 22, 2007; website: <http://www.washingtonpost.com/wp-dyn/content/article/2007/12/21/AR2007122102544.html>
- Nieto, Marcus, Kimberly Johnston Dodds, and Charlene Wear Simmons. 2002. *Public and Private Applications of Video Surveillance and Biometrics Technologies*. Sacramento: CA: California Research Bureau, (March 2002).
- Office of Management and Budget, *Historic Tables: Budget of the United States Government*. 2007.
- Primetime*. 2005. "No Place to Hide." Aired January 20, 2005.
- Rosenbloom, David H., and Robert Kravchuk. 2009. *Public Administration: Understanding Management, Politics, and Law in the Public Sector*, 7<sup>th</sup> ed.; Boston: McGraw Hill, Inc.
- Rosenfarb, Joseph. 1948. *Freedom and the Administrative State*, New York: Harper.
- Simon, Herbert. 1957. *Administrative Behavior; A Study of Decision-making Processes in Administrative Organization*, New York: McMillan.
- Stillman II, Richard. 2004. *The American Bureaucracy: The Core of Modern Government*, 3<sup>rd</sup> ed., California: Wadsworth/Thomson Learning.

- Taipale, K.A. 2003. "Data Mining and Domestic Security: Connecting the Dots to Make Sense of Data" in the *Columbia Science & Technology Law Review*. Vol. 5: December 15, 2003.
- Taylor, Frederick W. 1923. *Scientific Management*, New York: Harper and Row.
- U.S. Bureau of Economic Analysis, April 2008. *National Economic Accounts*.
- U.S. Census Bureau. 2008. *Statistical Abstract of the United States: 2008-2008*, 128th ed., Washington, D.C.: U.S. Government Printing Office.
- U.S. Office of Management and Budget. 2009. The Budget for Fiscal Year 2009, Historic Tables. <http://www.whitehouse.gov/omb/budget/fy2009/pdf/hist.pdf>.
- White, Leonard D. 1926. *Introduction to the Study of Public Administration*, New Jersey: Prentice Hall, Inc.
- Waldo, Waldo. 1948. *The Administrative State*, New York: Brooks/Cole.
- Woodward, Jr., John D. 2001. *Army Biometric Applications: Identifying and Addressing Sociocultural Concerns*. Santa Monica: RAND.

## NOTES

---

<sup>1</sup> For instance, see Taylor, 1923; White, 1926; Follet, 1926; and Gulick and Urwick, 1937.

<sup>2</sup> Additional writings by Marshall Dimock include: *The Executive in Action*, 1945, and *A Philosophy of Administration*, 1958.

<sup>3</sup> Uncommon when compared to the rational approaches advocated by some of Dimock's contemporaries. See for instance: Simon, 1957.

<sup>4</sup> See for instance literary classics like Arthur Koestler's *Darkness at Noon*, George Orwell's *1984* and *Animal Farm*, and Ray Bradbury's *Fahrenheit 451*.

<sup>5</sup> The number of federal employees shrunk in the 1990's after efforts by proponents of the Reinventing Government movement sought to force government to "do more with less."

<sup>6</sup> See for instance, Lasswell, 1958. Discussions on concentration of power in the literature of Political Science are vigorous with antecedents from the days of Greek philosophers like Socrates, Plato, and Aristotle. Other political philosophers follow suit, and the literature is also verbose in warnings from the founding fathers who drew heavily from Lockean thought and the writings of Montesque to prevent such perversions in the creation of our union. What makes Dimock's discussion permeating here is context; He does not revive the debate in terms of political dictatorships, but instead as plausible scenarios of concern in an institutional environment.

<sup>7</sup> The term "surveillance industrial complex" has been used in a variety of media stories, but the author became aware of it most noticeably with *Primetime*. 2005. "No Place to Hide." Aired January 20, 2005.

---

<sup>8</sup> The fluctuations of course occurred at the local level, particularly in school districts, which consolidated from 67,355 in 1952, to 34,678 in 1962, to 21,782 in 1967, to 15,781 in 1972. The number has remained relatively constant in the 13-14,000 range for the past two decades. The number of special districts has increased, from 12,340 in 1952, to 25,962 in 1977, to just over 35,000 in recent times. The number of towns and township governments has remained constant since 1952 in the 16-17,000 range, as have the number of municipalities in the 18-19,000 range. The number of county governments has been stable to just over 3,000 total. Source: U.S. Census Bureau, 2008, 263.

<sup>9</sup> Number of firms in 2004 is derived from the most recent edition of the Statistical Abstract 2008. Firms are defined as "an aggregation of all establishments owned by a parent company (within a state) with some annual payroll. A firm may be a single location or it can include multiple locations." Source: U.S. Census Bureau, 2008, 498.

<sup>10</sup> This is the most recent statistic available for the number of mergers and acquisitions in the U.S. Census Bureau, Statistical Abstract of the U.S., 2006, 520; This table is deleted in subsequent editions.

<sup>11</sup> There were approximately 2.9 million federal employees in 1981. This number rose to 3.1 million by 1991, but then fell to 2.7 million by 2001.

<sup>12</sup> When asked if the government should maintain a high level of secrecy surrounding technology with military uses in order to maintain American's leadership in the world, respondents overwhelmingly agreed by 69%, versus the 15% who disagreed and remainder who did not know; see Mitchell, 2000, 227.

<sup>13</sup> The states involved in the MATRIX program include New York, Michigan, Oregon, South Carolina, Ohio, and Utah. The success of the program has been limited by states' financial constraints and concerns over privacy.