The Politics of Agency Termination:
Confronting the Myth of Agency Immortality

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This article examines agency mortality between 1946 and 1997 and argues that, contrary to popular belief, agencies are not immortal. Rather, agencies face significant risks of termination, particularly due to political turnover. When an agency's opponents gain power, the hazards of agency mortality increase. Principal among the findings of this paper are that 62% of agencies created since 1946 have been terminated and that political turnover is one of the primary causes of termination.

$\mathbf{A}$s part of the Contract with America in 1994, Republicans promised to cut government. Among others, they targeted three Interior Department science agencies for termination—the Bureau of Mines (BOM), the National Biological Service (NBS), and the United States Geological Service (USGS). In 1995, after gaining a majority, they succeeded in eliminating the BOM, its personnel, and most of its functions. The NBS was terminated as an independent agency, but most of its personnel and functions were transferred to the USGS. The USGS persisted as it had since its creation in 1879.

One of the axioms of American politics is the immortality, or at least extreme durability, of administrative agencies. Administrative agencies once created are said to live forever (see e.g., Daniels 1997; Downs 1967; Lowi 1979; Stinchcombe 1965). As Lowi (1979, 309) writes, "Once an agency is established, its resources favor its own survival, and the longer agencies survive, the more likely they are to continue to survive." Yet, the case of the Bureau of Mines, and arguably that of the National Biological Service, suggest otherwise. And we can think of other examples, such as the Interstate Commerce Commission (1995), the Civil Aeronautics Board (1985), and the Office of Technology Assessment (1995).

How do we make sense of this discrepancy? The widespread perception among academics and political observers is that agencies are almost never terminated although there are numerous obvious counterexamples. Part of the discrepancy

must be due in part to the correct belief that once the legislation is enacted to carry out an activity, the federal government rarely relinquishes that authority (Daniels 1997). When agencies are "terminated," their functions are usually transferred to another agency. When Congress eliminated the Interstate Commerce Commission, for example, it created a new Surface Transportation Board within the Department of Transportation to carry out its remaining functions.

Widespread misperceptions about agency immortality are also due to a paucity of empirical research in this area. Scholars have largely ignored widespread cases of agency termination, particularly agency termination caused by the changing ideological and partisan composition of Congress and the White House. Clearly, agencies are difficult to terminate, as Republican attempts to terminate the Departments of Commerce, Education, and Energy demonstrate, but the difficulties have been overcome consistently in the past 50 years. In this article I use the federal government's own *United States Government Manual* (USGM), which includes an appendix listing all agencies terminated since 1933, to analyze the prevalence and causes of agency mortality. I show that agencies are not immortal. On the contrary, more than half of all agencies created since 1946 and listed in the USGM were terminated prior to 1997. One of the primary causes of termination is political turnover in Congress and the White House.

These findings have important implications for a burgeoning literature on attempts by politicians to "hardwire" their policy preferences into agency design (see e.g., McCubbins, Noll, and Weingast 1989; Moe 1989). If agencies are easily and frequently terminated, then attempts to insulate policies or agencies through agency design may be inconsequential.

The paper is divided into five sections. In the next section I review existing empirical research on agency mortality. In the second section I explain the politics of agency termination. In the third section I discuss the data, variables, and methods in more detail. In the fourth section I present the results, and in the last section the conclusion.

What Do We Know About Agency Mortality?

There have been few attempts to test administrative agency mortality with quantitative data. Kaufman (1976) examined all agencies in existence in 1923 and 1973 and found that of the 421, only 27 had been terminated by 1976. He argues that agencies are not immortal but generally quite durable. There are several reasons to revisit his analysis, however. First, his data set excludes agencies created prior to 1923 and terminated prior to 1923. It also excludes agencies created after 1923 and terminated prior to 1973. As such, his sample is biased toward durable agencies. Second, Kaufman's data include only agencies from executive departments. Meier (1980), however, suggests that cabinet agencies may be more durable than other agencies. He finds that regulatory agencies in cabinet departments exist in a more favorable environment than independent

regulatory commissions. Focusing only on cabinet agencies could underestimate the overall mortality rate of agencies. Finally, Kaufman's analysis, while positing many possible hazards to agency mortality, did not test whether or not they indeed altered the likelihood of termination.

Carpenter (2000), using a subset of Kaufman's data (those agencies in existence in 1923) corrected for censoring problems, argues that older agencies are not necessarily more likely to be terminated. Rather, he argues that the hazard rate of agency mortality—that is, the probability that an agency will be terminated given it has not been terminated yet—is nonmonotonic and the product of a stochastic process based on agency failure. He calculates the product limit estimates of the hazard rate for all executive departments created between 1865 and 1923 and finds that the hazard rate is nonmonotonic. Carpenter's work, like Kaufman's, suggests that the hazard rate of agency mortality is nonzero.

Both works make important contributions to what we know about agency mortality, but both can be improved in three ways: 1. by analyzing agency mortality with data that are not biased toward agency durability, 2. by including more agencies than just those in existence in 1923, and 3. by estimating models including important covariates to tell us something substantive about the causes of agency mortality.

The Politics of Agency Termination

Scholars have hypothesized about a number of potential hazards to agency survival: namely, the need to cut costs (Arnold 1998), agency failure (Carpenter 2000; Downs 1967), competition among agencies for budgets (Kaufman 1976; Stinchcombe 1965), and political opposition (Benze 1985; Kaufman 1976). The termination of agencies ostensibly to improve economy and efficiency or remedy administrative failure, however, has political overtones. What one party views as a frivolous expense or unforgivable error, another party views as an indispensable component of its policy program. Perceptions of success and failure hinge on political predispositions. The response of partisans in the early 1950s to a well-publicized scandal in the Reconstruction Finance Corporation (RFC) is a good example. Congressional investigations into the lending policies of the RFC in 1950 and 1951 led both parties to conclude there were problems with the agency's lending policy. In particular, both parties were critical of outside influence in the disbursement of loans. While they agreed on the diagnosis, their remedies differed. Congressional Democrats and the administration primarily pursued reorganization to place the agency under a single administrator and require that all loans be made "in the public interest." Republicans, on the other hand, called the RFC part of a massive "influence racket" under the direction of the Democratic National Chairman and concluded that the RFC should be abolished.[1]

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[1] *Congress and the Nation 1945–1964* (Washington, DC: CQ Press), 1710.

The fact is administrative agencies never escape the politics that created them. Coalitions that formed to create a new agency attempt to protect and oversee the new agency over time. The political opponents of a new agency, however, having failed to prevent the agency's creation, try to destroy it if they have the opportunity (Kaufman 1976). History is replete with examples. With the advent of the Eisenhower administration, Secretary of Agriculture Ezra Taft Benson terminated the Bureau of Agricultural Economics (BAE) and transferred its functions to the Agricultural Marketing Service and Agricultural Research Service. The BAE had angered some members of Congress by making unpalatable cotton price predictions, had consistently been opposed by the conservative Farm Bureau Federation, and had angered Southern conservatives because of racial overtones in a community survey in Mississippi.

Political turnover provides opponents of an agency an opportunity to terminate it. A new majority in Congress uses its new power as majority to target agencies it opposed as the minority. A change in presidential administration allows the new party in the White House to reshape the administration in its image, eliminating and downgrading the agencies they oppose and emphasizing and upgrading those they support. Political turnover, whether measured by *partisan* measures or *preference* measures, should increase the hazard rate of administrative agencies.

H1: *The hazard rate of administrative agencies is nontrivially larger than zero.*

H2: *Political turnover in Congress and the White House will increase the hazard rate of administrative agencies.*

Data, Variables, and Methods

To analyze agency mortality, I gathered data on all administrative agencies created in the United States between 1946 and 1997.[2] The list was compiled using the *United States Government Manual (USGM)* and excludes advisory commissions, multilateral agencies, and educational and research institutions.[3] Each agency is coded with a start date and termination date (where appropriate).[4] There are 6,550 observations (or spells) on 426 agencies where an obser-

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[2] Section 512 of the Administrative Procedures Act states: "'Agency' means each authority of the Government . . . whether or not it is within or subject to review by another agency, but does not include—(A) the Congress, (B) the courts of the United States, (C) the government of the territories or possessions of the United States, (D) the government of the District of Columbia."

[3] I include a description of data collection in Appendix A.

[4] Appendix C of the *United States Government Manual* lists all agencies terminated since 1933. Agencies are considered terminated if they are included in this Appendix, with the exception of those agencies that have simply changed their names or been transferred whole to another larger agency. As such, I consider an agency terminated if it has been eliminated whole with all of its functions or if it has had a name change, location change, *and* change of function. In the latter case, the agency has lost its organizational identity, but its personnel and some of its functions persist.

vation is a calendar year. So, for example, since the Office of Technology Assessment (OTA) was created in 1972 and terminated in 1995, there are 23 observations in the data set for the OTA. Since we do not observe agencies after December 31, 1997, 38% of agencies in the data set are right-censored. I will account for this in model estimation (see Tuma and Hannan 1984).[5]

Of the 426 agencies, 251 (or 62%) were terminated before December 31, 1997, the last year in the data set. This is a remarkably high percentage, particularly given Kaufman's findings and the consensus in the literature that administrative agencies almost never are terminated. Figure 1 graphs the number of agencies terminated per year between 1946 and 1997. I include the number of new agencies created each year for reference. The dotted line in the middle of these two lines is the difference between the two measures, or the real growth in the number of bureaucratic agencies. As is clear, agencies were terminated in almost every year since 1946, and a nontrivial number were terminated in most years. While the cumulative number of administrative agencies has been increasing steadily since 1946, the hazard rate for administrative agencies is substantially greater than we have been led to believe.

Variables—Politics of Agency Termination

I account for agency termination due to political turnover by including measures that account for an agency's opponents being in power. I assume that Republicans are more likely to terminate agencies created by Democrats and vice versa. The presence of a different majority in Congress is measured with an indicator variable accounting for whether or not the party controlling the House of Representatives at the start of an observation is the same party that controlled the House when the agency was created. In 23% of the observations

[5] One unfortunate characteristic of hazard models is their implicit assumption that censored observations will eventually die. There is a chance with the agency data that some agencies will never be eliminated (Carpenter 2000). This could bias the estimates. There is not much I can do to remedy this problem for these models. Indeed, existing models of agency durability (and many other duration models in political science) have this same problem. I have, however, estimated two additional models to investigate this further. In the first model, I add four additional samples where currently censored agencies are coded as if they live for 10, 30, 50, and 100 more years to see the impact of this change on model estimates. In other words, if we knew agencies censored in 1997 lived until 2007, 2027, etc., what would model estimates look like? The addition of the new samples decreased the magnitude of the time-constant covariate coefficients, though not the significance. This implies that our assumptions about what happens to censored agencies *can* bias coefficient estimates. If these agencies will eventually be terminated, the model could overestimate the effect of these independent variables. On the other hand, if the agencies will never be terminated, the model could underestimate the effect of these independent variables. In the second model, I estimate a multiperiod probit model where the dependent variable is failure. I manually control for duration dependence using indicator variables for each of the first 20 years an agency is alive. These results confirm what is reported here. I thank an anonymous reviewer for both pointing out this problem and recommending the simulation and multiperiod probit model. All data and results are available from the author.

FIGURE 1

Number of Agencies Created and Terminated, 1946–1997
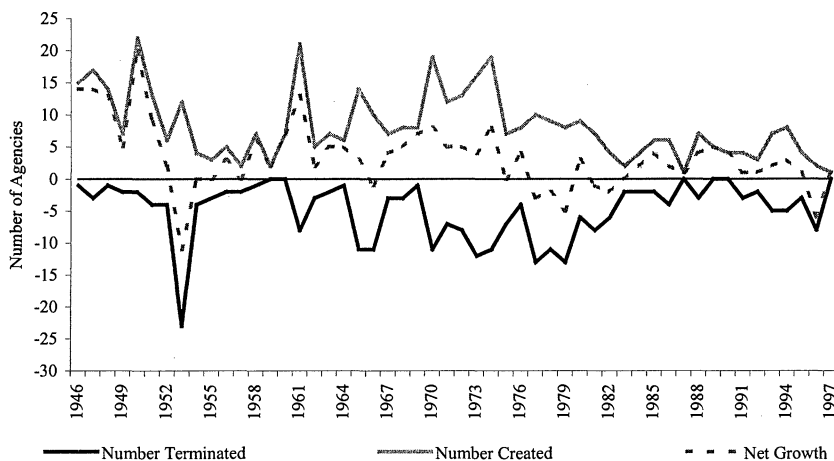
(coded 1), a different majority controlled the House of Representatives. The presence of a president from the opposite party is measured with an indicator variable accounting for whether or not the president's party is different than it was when the agency was created. In close to 46% of the observations (coded 1), a different party controlled the White House.

I also include an independent variable for unified government (0,1) implying that, all else equal, it will be easier to terminate an agency when the president and Congress share the same party. Of course, an agency's risk of termination is greatest when the degree of party change is the most dramatic. An agency created under unified Republican-controlled government, for example, is at its greatest risk when it faces a unified Democrat-controlled Congress and Democratic president. As such, I also estimate a model that includes an interaction of the indicators for different majority, different president, and unified government. The greater the degree of party change, the higher the risk for the administrative agency.

Since there is disagreement in the literature about the importance of parties, I estimate a second set of models that use nonpartisan policy preference measures. I use the absolute value of the difference in the common space scores for the House median at the time the agency was created and the year of observation to measure ideological change in Congress (Poole 1998).[6] I expect that the greater the degree of ideological change from the time an agency was created

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[6] I have also estimated models using inflation-adjusted ADA scores for Congress and the president (Groseclose, Levitt, and Snyder 1999; Krause 2000).

to the time of observation, the greater the risk to the agency. To measure ideological change in the presidency, I use the absolute value of the difference in the president's common space score (McCarty and Poole 1995; Poole 1998) at the time the agency was created and the year of observation.[7] I expect that the greater the ideological divergence between the president who presided when the agency was created and the current president, the greater the hazard to administrative agencies. To measure the ideological divergence between the legislative and executive branches, I include a measure that is the negative of the absolute value of the difference between the House median and presidency common space scores. I expect that, like the measure of unified government, the smaller the divergence in preferences between the two branches, the higher the risk of termination. I also estimate a model that includes an interaction term for these three measures since ideological change in either branch should matter most when it is accompanied by similar change in the other branch.

Variables–Controls

There are a number of other factors that could increase the hazards to agency survival, including the economy, a war, competition among agencies, a new presidential administration, the ideological predispositions of Congress or the president, or characteristics of the agencies themselves. The models include, first, a variable for average yearly unemployment level.[8] Economic hard times pressure political actors to cut spending. One of the prominent ways Congress historically has cut costs is agency termination and reorganization (Arnold 1998). Unemployment during this period averaged 6% and was as low as 3% and as high as 10%. I also include control for war because Congress historically has granted presidents a great deal of discretion to reorganize the bureaucracy to facilitate the war effort. The variable is an indicator variable coded 1 for the Korean War (1950–53), the Vietnam War (1965–75), and the Persian Gulf War (1991). Including the net number of new administrative agencies created during the year accounts for the hypothesized competition among agencies that may increase the hazards of agency termination (Kaufman 1976).

To account for the agency termination attributable to presidential attempts to improve management capabilities, I also control for the presence of a new administration (0,1). A number of recent works describe how the president needs to "hit the ground running" (Pfiffner 1988), and a common means of gaining control of the bureaucracy at the beginning of a term is administrative reorganization (Stanley 1965). I add a control for the political predispositions of Congress and the president for smaller government by including an indicator variable

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[7] I use Truman's common space Senate score as his presidency score.

[8] Sources: *Information Please Almanac*, various years; *Historical Statistics of the United States, Colonial Times to 1970*; *Handbook of Labor Statistics*, 1989; Bureau of Labor Statistics Web Site (http: www.dol.gov).

for Republican president (0,1) and Republican Congress (0,1). In the models employing policy preference measures, I include the common space scores for the president and house median.

Finally, I control for agency characteristics including whether or not the agency was designed to be temporary, whether it was created by legislative action, and the size of each agency. Since some agencies, like the Resolution Trust Corporation, are designed to carry out a discrete, time-bound function, I include an indicator variable for all agencies that are temporary (0,1).[9] The source of agency origin (legislation or executive decree) and the size of an agency can increase the ease or difficulty with which political actors can terminate an agency (Kaufman 1976; Seidman 1998). Agencies created by statute are more difficult to terminate because their termination requires legislative rather than simply executive action and because they are better able to cultivate the support of legislators on both the authorizing and appropriating committees. Agency size is measured by an indicator variable for whether or not the agency has a separate line in the budget.[10] Sixty two percent of the agencies (coded 1) in the sample have a line in the budget. Large agencies are more difficult to terminate (Daniels 1997; Kaufman 1976). If an agency has a large budget, a multitude of employees, or performs functions affecting many people, it is much less likely to be terminated. On the other hand, a small agency targeted at a specific interest that has a small budget and employs few people is easier to terminate.

Methods

There are a number of ways to model agency durability. Some techniques model the natural log of the survival time and others the hazard rate. The type of model often depends upon knowledge about the shape of the baseline hazard rate. The hazard rate is defined as:

$$h(t|t_0) = \lim_{\Delta t \to 0} \frac{\Pr\{dead\ at\ t + \Delta t\,|\,alive\ at\ t\}}{\Delta t}$$

where t is the age of the agency in years. In other words, the hazard rate is the probability that an agency will be terminated given that it has not been terminated already.

Since the graph of the product-limit estimates of the hazard rate, an analysis of a generalized gamma model, an analysis of nonnested models with the Akaike Information Criterion (Akaike 1974), and graphs of the Cox-Snell residuals all

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[9] I have also estimated models that exclude all agencies that might be construed as temporary, and the results are identical to those reported here. I include them in Appendix C.

[10] I have also estimated models using the log of agency budgets at their creation in 1992 dollars with the same results. They are included in Appendix B. I do not use the budget figures in the main specifications because many agencies created since 1946, particularly foreign affairs and defense agencies, do not have their own line in the budget (over 30%). As such, estimating models with the budget data unnecessarily restricts the number of cases.

are inconclusive, I estimate a Cox proportional hazards model rather than any parametric hazard model. In the Cox model, the baseline hazard function, $q(t)$, is treated as a nuisance that is eliminated and is not estimated (Box-Steffensmeier and Jones 1997, 185; Tuma and Hannan 1984). Since the data set has multiple observations on one subject, I use a robust estimator of variance to adjust for correlation of the errors on observations on the same agency.

Results[11]

Table 1 contains the estimates of the Cox model with partisan measures of political turnover.[12] The interpretation of the coefficients of proportional hazard models can be a bit tricky since the dependent variable is the hazard rate. A coefficient with a positive sign indicates that a one-unit shift in the independent variables *increases* the hazard rate but *decreases* agency durability. I use one-tailed tests since my hypotheses are directional, but also include the standard errors for reference.

In general, the models perform well. A number of controls produce interesting results, but a full discussion of them is beyond the scope of this article. In brief, however, the larger national context appears to be a significant determinant of agency hazards. The hazard rate of agencies is much higher during wartime, $2\frac{1}{2}$ times higher than during peacetime. During periods of international conflict, the president shuffles agencies and government functions to mobilize for war, thus increasing agency hazards. The advent of a new administration, though not significant at the 0.05 level in these models, is positive, suggesting that new presidents, in their attempt to gain control of the reins of administration, reshuffle and threaten administrative agencies.

Agency characteristics are also an important determinant of their susceptibility to termination. Agencies created by statute are much more durable than agencies created by executive action. The coefficients on legislative creation are significant in both models and suggest that statutory agencies are about half as likely to be terminated as agencies created by executive action. This contradicts the finding of Kaufman (1976), who found no difference between the two types of agencies.

Most important for this article, however, are the estimates on the indicators of political turnover. The coefficients on the variable that account for a change in presidential party are significant at the 0.05 level in both models. The presence of an unfriendly president increases the hazard rate of agency mortality by about 67%. Unified government also increases agency hazards. When Congress and the president share the same party, agency hazards are about twice as high as in divided government. This underscores the difficulty of agency termi-

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[11] All analyses were performed in Inter-cooled STATA 6.0 for PC.
[12] I have tested the appropriateness of the proportionality assumption for each variable and cannot reject the null that each independent variable increases the hazard rate proportionally ($p < 0.30$).

TABLE 1

Partial-Likelihood Estimates of Agency Hazards, 1946–1997

Variable	(1)	(2)
Political Termination		
Unfriendly Majority (0,1)	0.26*	−0.14
	(0.17)	(0.22)
Unfriendly President (0,1)	0.52**	0.41**
	(0.17)	(0.18)
Unified Government (0,1)	0.67**	0.56**
	(0.16)	(0.18)
Interaction (0,1)	—	0.75**
		(0.17)
Controls and Constant		
Unemployment	0.08*	0.07*
	(0.06)	(0.06)
War (0,1)	0.96**	0.87**
	(0.16)	(0.16)
Number of New Agencies	−0.03**	−0.02*
	(0.02)	(0.02)
New Administration (0,1)	0.22*	0.20*
	(0.15)	(0.15)
Republican President (0,1)	0.38**	0.38**
	(0.14)	(0.15)
Republican House (0,1)	0.31	0.27
	(0.28)	(0.30)
Temporary Agency (0,1)	1.30**	1.29**
	(0.33)	(0.34)
Legislatively Created (0,1)	−0.73**	−0.68**
	(0.14)	(0.14)
Line in the Budget (0,1)	−0.14	−0.16
	(0.13)	(0.13)
Number of Observations	6477	6477
Number of Agencies	423	423
Number of Terminations	251	251
X^2 (12, 13 df)	160.15**	183.09**

Note: Dependent variable: h(t). *significant at the 0.10 level; **significant at that 0.05 level in one-tailed test of significance. Standard errors adjusted for clustering on agencies.

nation. During periods of divided government, the chances are greater that an agency's defenders will populate one of the branches of government, thus decreasing the chances that the agency will be terminated. Interestingly, a change in the majority in the House is most important when political turnover is the most dramatic—change from unified control of one party to unified control of the other party. The coefficient on majority change approaches significance in the first model and is insignificant and negative in the second model. However,

the size, direction, and magnitude of the interaction term indicate the importance of a change in majority size when accompanied by a change in party control of the White House and unified government. When the impact of unified government, a change in party control of both branches, and the interaction of the three are added together, the result is a 236% increase in the hazard rate.

In Figure 2, I include graphs of the survival probabilities, which are perhaps more intuitive than hazard rates. The graphs show changes in survival probabilities based upon estimates from Model 2 in Table 1.[13] They show graphically what is clear numerically. Agencies that encounter a president from the opposite party of the president that presided over their creation have a lower survival probability than agencies working under a president from the same party. Similarly, agencies have lower survival probabilities during periods of unified government. The most dramatic change in probability is evident when the most dramatic type of political turnover occurs. Agencies created under unified government of one party but working under unified government of the other party have dramatically lower survival probabilities. They are about 20% less likely to survive 10 years and 25% less likely to survive 30 years.

These results are confirmed by those presented in Table 2. Table 2 includes the models reestimated using policy preference measures rather than partisan measures. The models again demonstrate the added risks of war, a new presidential administration, and a lack of statutory authority on agency survival. In addition, the models suggest, contrary to Kaufman's findings, that the number of federal agencies (agency competition) does not increase agency hazards. On the contrary, during periods when the government is growing, the hazards are lower. One possible explanation is that tax revenues are growing commensurate with the size of the bureaucracy and the increase in the number of agencies does not increase competition for scarce budget resources.

The variables accounting for political turnover in Table 2 are generally consistent with those in Table 1. Policy preference change in the White House significantly increases the hazard rate of administrative agencies. A change in the PR score from 1 standard deviation below the average change to 1 standard deviation above the average change increases the hazard rate of agencies by 46%. As before, when the preferences of Congress and the president are similar, the hazard rate is greater. Increasing the distance in PR scores between the House median and the president from 1 standard deviation below the mean to 1 above the mean increases the hazard rate by 38%. While the coefficient on change in median ideology is significant, it has only a small impact on agency hazards (4%). In the second model, the interaction coefficient is significant and large while the coefficients on preference change in Congress and the White House diminish in magnitude and significance. The sign and significance of

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[13] Survival probabilities are based upon a nontemporary legislatively created agency with a line in the budget. This agency is working under a Democratic president and Congress during peacetime in the middle of an administration. All other controls are set at their mean value.

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FIGURE 2

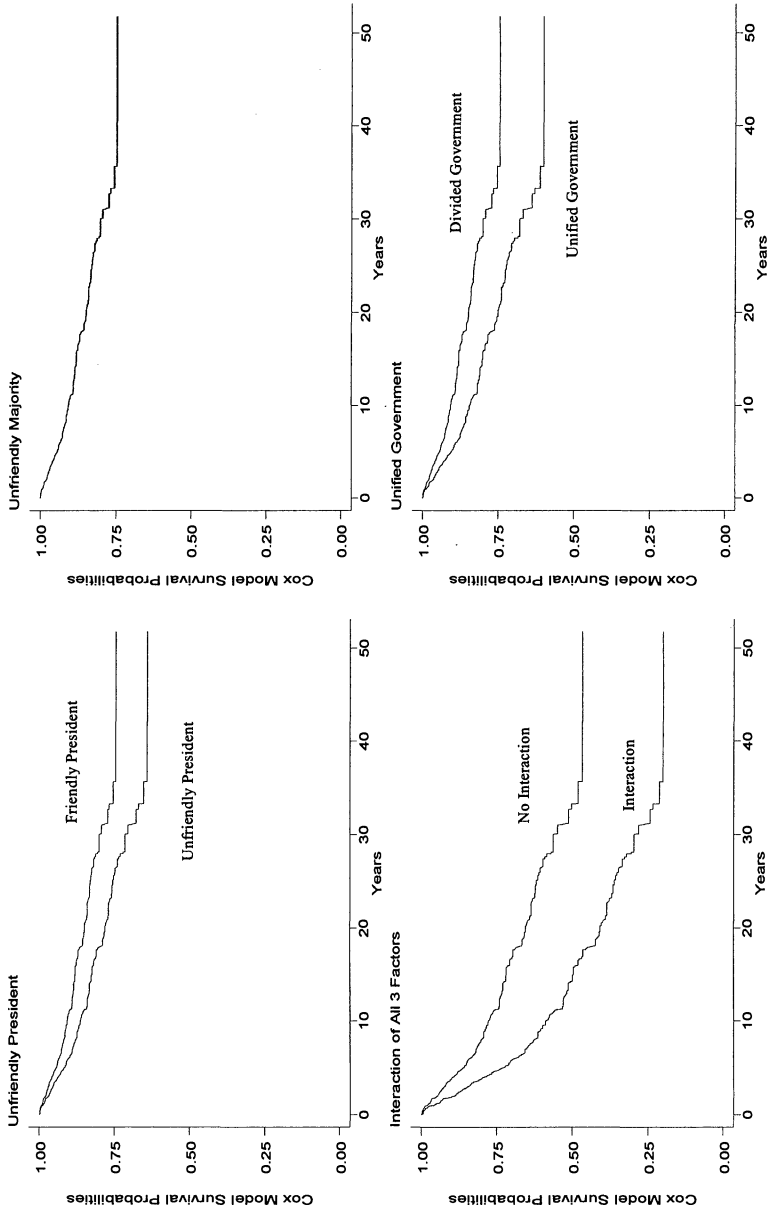Impact of Political Turnover on Agency Survival Probabilities, 1946–1997

TABLE 2

Partial-Likelihood Estimates of Agency Hazards, 1946–1997

Variable	(1)	(2)
Political Termination		
Change in PR Score of House Median	1.19**	−0.30
	(0.70)	(0.88)
Change in PR Score of President	0.59**	0.12
	(0.25)	(0.29)
Difference in PR Scores of House Median, President	2.10**	1.54**
	(0.62)	(0.65)
Interaction	—	6.11**
		(1.76)
Controls and Constant		
Unemployment	0.11**	0.11**
	(0.06)	(0.06)
War (0,1)	0.76**	0.78**
	(0.17)	(0.17)
Number of New Agencies	−0.05**	−0.05**
	(0.01)	(0.02)
New Administration (0,1)	0.26**	0.26**
	(0.16)	(0.16)
PR Score of President	−0.77**	−0.78**
	(0.22)	(0.22)
PR Score of House Median	1.27*	1.69**
	(0.83)	(0.88)
Temporary Agency (0,1)	1.41**	1.46**
	(0.31)	(0.31)
Legislatively Created (0,1)	−0.74**	−0.71**
	(0.14)	(0.14)
Line in the Budget (0,1)	−0.14	−0.18*
	(0.13)	(0.14)
Number of Observations	6477	6477
Number of Agencies	423	423
Number of Terminations	251	251
X^2 (12, 13 df)	137.99**	159.76**

Note: Dependent variable: h(t). *significant at the 0.10 level; **significant at that 0.05 level in one-tailed test of significance. Standard errors adjusted for clustering on agencies.

the interaction suggest that preference change in one branch only matters when accompanied by preference change in the other branch.

  One possible limitation of these findings is that agencies created since 1946 could be less durable than those created prior to 1946. Since the data include only agencies created in the modern period, I cannot make direct inferences about the termination rates of agencies prior to 1946. Still, I would caution against concluding that agencies created prior to 1946 are intrinsically more

durable. Agencies created prior to 1933 are more likely to be created by statute, which would make them more durable. Apart from this, however, our reason to suspect that early agencies are more durable may be due to the fact that we are more likely to remember those that still exist. We are not as aware of agencies created during this period that were terminated, such as the Grain Futures Administration, the U.S. Railroad Administration, or the U.S. Shipping Board.

In sum, two conclusions emerge from this analysis. First, agencies are not immortal. Over 60% of all agencies created since 1946 have been terminated. While the number of agencies has grown steadily since 1946, the number that has been terminated has been substantial. If we consider the number of agencies that have changed their mission so substantially as to become a fundamentally different agency, this percentage could be even higher (see, e.g., Meier 1994). Second, agencies are at the greatest risk when the degree of political turnover is the greatest. Political turnover from unified control of one party to unified control of the other party can increase an agency's hazard rate by over 260% in the first year of a new administration. This is true when controlling for the policy preferences of Congress and the president. Indeed, President Clinton also pursued the termination of a handful of agencies when he assumed office in 1993, but his targets differed from those of congressional Republicans. He sought to consolidate the banking regulation functions of the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Federal Reserve, and the Office of Thrift Supervision into one administrative agency (Khademian 1996) and oversaw the elimination of the Rural Development Administration, the Federal Grain Inspection Service, and the Agricultural Stabilization and Conservation Service in the Department of Agriculture.

Conclusion

This research has shown that government agencies are not immortal. Of the 426 agencies created since 1946, over half were terminated prior to 1997. Political turnover is one of the primary causes. This research demonstrates not only the need to revisit the question of agency mortality, but two other needs as well.

First, if the functions of these agencies persist when they are terminated, why does agency termination matter? Organizational structure determines the degree of influence political actors will have. Where an agency is located, the depth of political appointments into its operations and its proximity to White House influence all determine the public policies that agencies will implement. Organizational structure and public policy outputs are inextricably linked. Organizational change usually accompanies policy change. As such, understanding how and why agencies are terminated tells us something about public policy. But more than this, agency termination is important for public administration and bureaucratic politics. If administrative agencies persisted, as Kaufman (1976, 1) suggests, "a population of immortals would gradually attain immense proportions" and "public administration is headed for . . . deep trouble." This re-

search suggests that bureaucratic structure may be more malleable than previously anticipated.

Second, if agencies are frequently terminated, this has important implications for the literature on "hardwiring" administrative agencies. In one version of the hardwiring story, political actors exercise brute public authority to insulate agencies from the influence of other actors (Moe 1989). Those in power anticipate the possible loss of their own influence and insulate a new agency in anticipation of this eventuality. In other models, structure is a means of making a credible commitment to not exercising influence over an agency after it is created (McCubbins, Noll, and Weingast 1989). Each of these versions of the hardwiring story assumes that agency structure is durable, that once created an agency will persist in its current form. If agencies are terminated easily, however, then agency structure does not protect agencies from political influence in the future. It does not provide as strong a commitment device.[14]

Finally, this research begs the question of what political actors can do to increase the durability of administrative agencies they care about. It illustrates that the politics of delegation and the politics of agency creation and design do not stop once an agency has been created. The coalitions that formed to create an agency continue to promote the agency, seek higher budgets for it, and protect it over time. Recent research explains how the anticipation of political turnover and the recognition of political uncertainty lead political actors to design agencies to be insulated from political control (Kaufman 1976; McCubbins, Noll, and Weingast 1989; Moe 1989; Seidman 1998). While it is beyond the scope of this article, future research should address the important question of whether certain types of agencies, particularly those that are insulated from political control, are indeed more durable than other agencies (Lewis 2000).

Appendix A
Data Collection

The *United States Government Manual (USGM)*, a serial published by the Government Printing Office, is the primary source for this data set. I include all agencies created after 1945 but terminated before 1998. Each *USGM* contains an appendix listing all such agencies. I also include all agencies in the index of the 1996–97 *USGM*, or those agencies created since 1946 that have not been terminated. I exclude advisory,[15] quasi-official,[16] multilateral,[17]

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[14] This suggests that other forms of insulation or commitment such as statutory specificity, administrative procedures, or budgetary devices may be more effective.

[15] Many U.S. government agencies are advisory boards, commissions, or committees. If an agency's sole function was advisory, it was excluded from the analysis. Most advisory bodies are listed in a separate section in the *USGM* called "Boards, Commissions, and Committees."

[16] The Smithsonian Institution and United States Institute of Peace are examples.

[17] The *USGM* also includes a section for multilateral agencies, or agencies comprised of representatives from both the United States and another country. The Asian Development Bank and the Micronesian Claims Commission are examples.

educational/research agencies,[18] and support offices common to all cabinet departments.[19]

The determination of what constitutes a new agency is not a trivial consideration (see e.g., Emmerich 1971; Whitnah 1983). Political actors create and terminate agencies frequently, but they rarely terminate the functions these bureaucracies perform (Daniels 1997). New organizational units often perform functions similar to previously existing agencies. In this data set, an agency was considered to be a new agency if it had a new name and different functions from any previously existing agencies. So, for example, the National Archives and Records Service (NARS), created in the General Services Administration in 1949, is considered a new agency even though it retained much of the character of the National Archives Establishment, a previously existing independent agency. In addition to a change in location, the NARS had a new name and was given new responsibilities over federal government records. On the other hand, the data set excludes the Social Security Administration (SSA), created as an independent agency in 1994. While the newly independent SSA adopted some new responsibilities when it became independent, its name did not change.

Agencies vary in size from cabinet departments, major administrations, and bureaus to offices and programs. The data set includes cabinet departments, administrations, bureaus, and large offices. It excludes programs and offices not large enough to be included in the *USGM*. So, for example, the data set includes the Office of Economic Opportunity, a significant part of President Johnson's War on Poverty, but excludes the Learn and Serve America program run through the Corporation for National and Community Service.

Appendix B
Partial-Likelihood Estimates of Agency Hazards Using Log of 1992 Budget Figures, 1946–1997

Variable	(1)	(2)
Political Termination		
Unfriendly Majority (0,1)	0.13	−0.06
	(0.22)	(0.28)
Unfriendly President (0,1)	0.45**	0.38*
	(0.24)	(0.25)
Unified Government (0,1)	0.68**	0.59**
	(0.20)	(0.21)
Interaction (0,1)	—	0.53
		(0.43)
		(*continued*)

[18] The Air Force Academy, National Institute of Mental Health, and Jet Propulsion Laboratory are examples.

[19] I excluded offices like the Office of the Inspector General or the Office of Small and Disadvantaged Business Utilization.

Appendix B (Continued)

Variable	(1)	(2)
Controls and Constant		
Unemployment	0.06	0.05
	(0.07)	(0.07)
War (0,1)	0.73**	0.68**
	(0.20)	(0.21)
Number of New Agencies	−0.03	−0.03
	(0.02)	(0.02)
New Administration (0,1)	0.18	0.17
	(0.20)	(0.20)
Republican President (0,1)	0.29*	0.28*
	(0.19)	(0.20)
Republican House (0,1)	0.05	0.02
	(0.39)	(0.41)
Temporary Agency (0,1)	1.57**	1.58**
	(0.49)	(0.49)
Legislatively Created (0,1)	−0.93**	−0.89**
	(0.18)	(0.18)
Budget in 1992 Dollars	−0.03	−0.03
	(0.03)	(0.03)
Number of Observations	4055	4055
Number of Agencies	247	247
Number of Terminations	141	141
X^2 (12, 13 df)	66.26**	72.28**

Note: Dependent variable: h(t). *significant at the 0.10 level; **significant at that 0.05 level in one-tailed test of significance. Standard errors adjusted for clustering on agencies.

Appendix C
Partial-Likelihood Estimates of Agency Hazards
Excluding Temporary Agencies, 1946–1997

Variable	(1)	(2)
Political Termination		
Unfriendly Majority (0,1)	0.25*	−0.07
	(0.18)	(0.23)
Unfriendly President (0,1)	0.56**	0.45**
	(0.19)	(0.19)
Unified Government (0,1)	0.64**	0.51**
	(0.18)	(0.18)
Interaction (0,1)	—	0.86**
		(0.33)
		(*continued*)

Appendix C (Continued)

Variable	(1)	(2)
Controls and Constant		
Unemployment	0.09*	0.08*
	(0.06)	(0.06)
War (0,1)	1.08**	0.98**
	(0.17)	(0.17)
Number of New Agencies	−0.04**	−0.03*
	(0.02)	(0.02)
New Administration (0,1)	0.25*	0.22*
	(0.15)	(0.16)
Republican President (0,1)	0.48**	0.48**
	(0.14)	(0.15)
Republican House (0,1)	0.22	0.17
	(0.31)	(0.33)
Legislatively Created (0,1)	−0.66**	−0.60**
	(0.14)	(0.14)
Line in the Budget (0,1)	−0.19*	−0.22*
	(0.13)	(0.13)
Number of Observations	6306	6306
Number of Agencies	403	403
Number of Terminations	233	233
X^2 (11, 12 df)	151.02**	177.05**

Note: Dependent variable: h(t). *significant at the 0.10 level; **significant at that 0.05 level in one-tailed test of significance. Standard errors adjusted for clustering on agencies.

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