

# Introduction

The celebrated American humorist Will Rogers once joked that “outside of traffic, there is nothing that has held this country back as much as committees.”<sup>1</sup> Most students of congressional procedure have disagreed with the perception of committees presented in that commonly held view. Scholars have long recognized the importance of congressional committees to the legislative process. In the 1880s, Woodrow Wilson, a young political historian who would later become the 28th President of the United States, argued in a now classic phrase that committees represented “miniature legislatures” in which the real work of Congress was performed.<sup>2</sup> The authors of a recent study conclude that an understanding of committees is central to an understanding of how Congress functions. Most policy decisions are made in committee before bills ever reach the floor of the House or the Senate. Moreover, they contend, it is in these panels that members voice their most significant input into the legislative process and develop their reputations and careers as lawmakers.<sup>3</sup>

Of the current standing committees in the House, the Committee on Ways and Means ranks as one of the oldest, most prestigious, and most important. First established as a select committee on July 24, 1789, it was discharged less than two months later. Reappointed continuously from the first session of the Fourth Congress in 1795, the panel functioned essentially as a standing committee before it was formally listed as such in the House Rules on January 7, 1802. Until 1865, the jurisdiction of the committee (referred to as the Committee of Ways and Means before 1880) included the critically important areas of revenue, appropriations, and banking. Since 1865, the committee has continued to exercise jurisdiction over revenue and related issues such as tariffs, reciprocal trade agreements, and the bonded debt of the United States. Revenue-related aspects of the Social Security system, Medicare, and welfare programs have come within Ways and Means’ purview in the 20th century.

Appointment to the Committee on Ways and Means has been a prized goal almost since its creation. The roster of committee members who have gone on to serve in higher office is impressive. Eight Presidents and eight Vice Presidents have served on Ways and Means, as have 21 Speakers of the House of Representatives. For most of the 20th century, the Democratic members controlled their party’s committee assignments, serving as the Democratic Committee on Committees. Moreover, because of the importance of revenue bills, which

under the Constitution must originate in the House, the 19th century chairmen often served as the de facto floor leaders. Before the post of majority leader became an official position of party leadership at the turn of the century, the chairman of Ways and Means had most often performed the function of directing floor consideration of legislation. From 1899 to 1919, the chairman was the official majority leader. Chairmen such as John Randolph and Thaddeus Stevens before 1899 and Oscar W. Underwood after 1899 were acknowledged masters of legislative influence. As terms of legislative service have lengthened in the 20th century, chairmen Robert L. Doughton and Wilbur D. Mills have exerted an influence over revenue legislation that each spanned more than a decade.

In ten chronological chapters, this book attempts to trace the contributions of the Committee on Ways and Means. A study of this one panel in effect provides a window on the growth of the federal government and the development of House procedure. Over 90 years ago, Lauros G. McConachie, in the first comprehensive study of the congressional committee system, posited that each legislature has "its own external and internal conditions."<sup>4</sup> This study adapts McConachie's model by treating the history of the Committee on Ways and Means from two perspectives: first, in the context of the institutional development of the House of Representatives; and second, in relation to its involvement in the important legislative accomplishments of each period.

The first two chapters trace the origins of the House Committee on Ways and Means from its Anglo-American antecedents. The earliest known ways and means committee was created by the British House of Commons in 1641 within the context of the movement for legislative autonomy from executive control of the public purse. American colonial and state legislatures imitated British practices, but adapted them to local political realities. While the British panel was a committee of the whole on revenue only, American ways and means committees tended to be smaller bodies, some with appropriations as well as revenue responsibilities. The U.S. Constitution incorporated the experience of legislative autonomy by granting to the House of Representatives the exclusive right to originate revenue bills.

During the first decade of the Federal Congress, legislative procedures evolved slowly, especially those relating to public finance. The House created a Committee of Ways and Means in 1789, but discharged it in favor of the executive Department of the Treasury under Alexander Hamilton. After Hamilton left office, his political opponents were able to reestablish the Committee of Ways and Means on what might be referred to as a "semi-standing" basis, just as other select committees that functioned in essence as standing committees were subsequently recognized as such in the House Rules.<sup>5</sup>

The last eight chapters provide a narrative history of the commit-

tee from 1800 to the present. Although these chapters take a narrative rather than a thematic approach, several themes stand out. One central theme is the complex but crucial relationship between the committee and the executive branch, especially the Department of the Treasury, and in the 20th century, the Internal Revenue Service and the Social Security Administration. The committee and Congress have generally been most productive when both branches have been controlled by the same political party. From the time of President Thomas Jefferson's strained but initially productive relationship with Chairman John Randolph to that of John F. Kennedy and Lyndon B. Johnson with Wilbur Mills, the committee has most often responded favorably when executive initiatives have been submitted by a President whose party has a majority in the House. In recent decades, the phenomenon of "divided government"—a President and Congress of different parties—has compelled both the executive and congressional leaders to compromise to reach workable agreements.

For 200 years, Congress has indeed worked most effectively as a vehicle to divert potentially divisive and disruptive issues into legitimate channels. The demands and needs of business, industry, consumers, and taxpayers have all been directed through the Committee on Ways and Means. From its beginnings, the committee received petitions and requests from ordinary citizens as well as organized business and private groups on issues as diverse as relief from a tax on whiskey stills to plans for a national lottery. As early as the second decade of the 19th century, Ways and Means held hearings on issues within its jurisdiction, although this procedure did not become institutionalized until after the Civil War.

The formalization of congressional hearings as a means to gather information reflected a third theme in the committee's history—the growth of the committee and the increasingly technical nature of both the procedures it utilizes and the issues it considers. The membership and staff have grown steadily since 1802. The committee's size increased modestly before the Civil War from seven to nine. By the 1880s, membership had reached 13, but it stood only at 17 by the end of the century. From 1919 to 1975, 25 members composed the committee. Membership currently stands at 36, following the increases mandated by the 1974 committee reforms. The committee's staff evolved more slowly at first, but it has mushroomed in the 20th century. The first permanent clerk was allotted to the committee in the 1850s. By the end of the 19th century, the staff only numbered one clerk, one assistant clerk, and one stenographer. By the 1960s, the staff had grown into the 20s. In recent years, the number has approached and exceeded one hundred.

As the committee grew in size, the use of subcommittees to facilitate its workload evolved from an informal to a formal procedure. Although the records of committee proceedings are incomplete, miss-

ing, or haphazard for much of the early 19th century, it is evident that subcommittees were appointed for certain purposes from as early as the late 1850s. Thaddeus Stevens' committee during the Civil War, for instance, utilized subcommittees to consider revenue and banking and currency issues. After the Civil War, it was common for subcommittees to be appointed to prepare portions of tariff bills dealing with general categories of imports. The use of permanent subcommittees became formalized in the 20th century, but they were not used during the chairmanship of Wilbur D. Mills (1958–1974) because the chairman preferred to centralize decision-making at the full committee level. Since the committee reforms of 1974, six permanent subcommittees have been appointed.

Subcommittees and an enlarged membership and staff were made necessary not simply by the growth of the House, but also by the changing nature of the central concerns that have faced the committee. Ways and Means' most basic responsibility has been to devise the legislation to provide the revenue to finance the federal government. Loans, in the form of bonds or certificates of indebtedness, have been one major means to raise money, especially in times of war. The tariff was the principal individual source of revenue throughout the 19th century. As such, it was a hotly contested political issue, particularly because the tariff could be used not only to raise revenue, but also to protect domestic industry from cheaper foreign imports. In 1934, the responsibility for tariff rate-making was transferred to the executive branch, but Ways and Means continues to exercise jurisdiction over tariffs and reciprocal trade agreements. In the 20th century, the income tax has become the principal source of revenue, beginning briefly during the Civil War, but becoming much more important after ratification of the 16th Amendment in 1913. The addition of Social Security and Medicare in the New Deal and the 1960s, respectively, has greatly compounded the complexity of the issues confronting Ways and Means.

For 200 years, the Committee on Ways and Means has fulfilled its legislative mandate. At times, it has functioned efficiently and harmoniously, such as during the Civil War and the early years of the New Deal. At other times, the committee has been frustrated and torn apart by partisan bickering. It has been led by chairmen who rightly rank among the legislative giants of Congress, but it has also been headed by legislators whose names history has long obscured and ignored. The committee's history is significant both for its accomplishments and its shortcomings, its well-known leaders and its unknown members. This first attempt to chart its history, it is hoped, suggests something of both upon which other scholars can build.