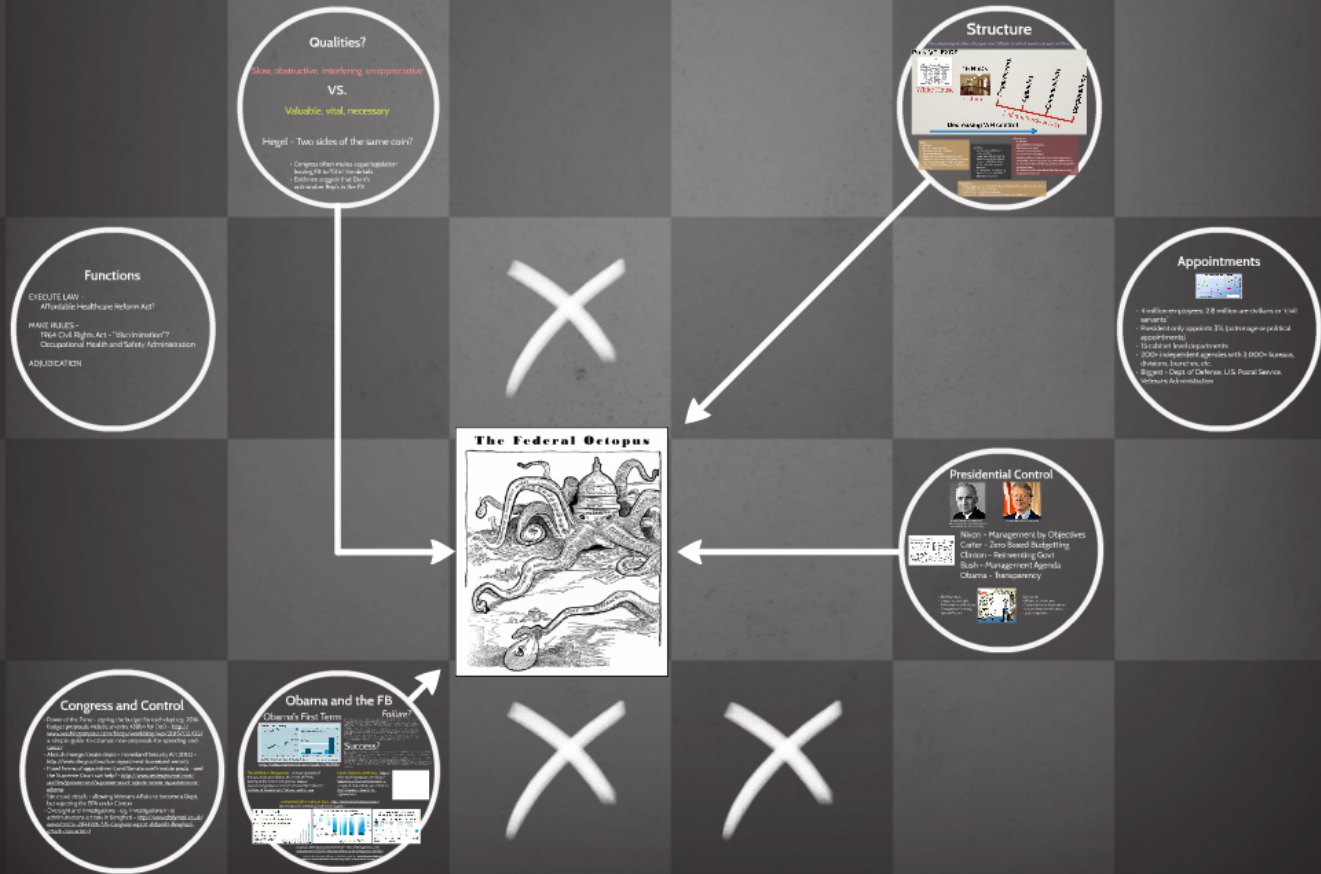


# The Federal Bureaucracy





# The Federal Octopus



# Functions

EXECUTE LAW -

Affordable Healthcare Reform Act?

MAKE RULES -

1964 Civil Rights Act - "discrimination"?

Occupational Health and Safety Administration

ADJUDICATION



# Qualities?

Slow, obstructive, interfering, unappreciative

VS.

Valuable, vital, necessary

Hegel - Two sides of the same coin?

- Congress often makes vague legislation leaving FB to 'fill in' the details
- Evidence suggest that Dem's outnumber Rep's in the FB

# Structure

Piecemeal organisation, changed over 200yrs to reflect needs and goals of Pres.

Pres VP EXOP

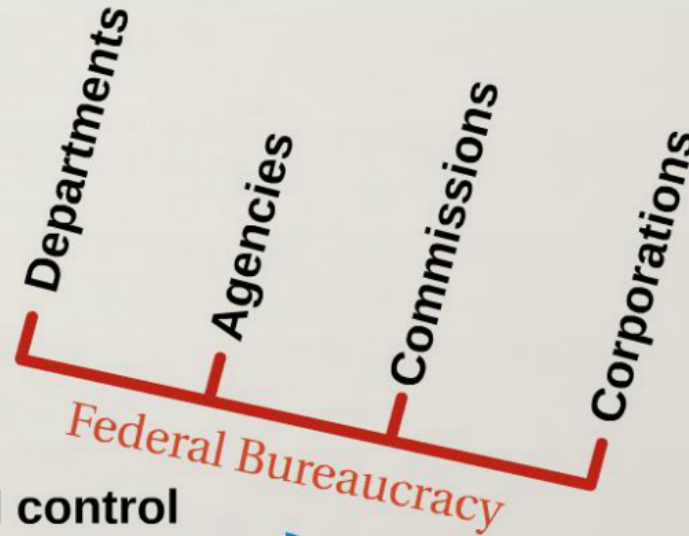


White House

15 HoDs



Cabinet



Decreasing WH control

## Depts:

- 15 Depts
- Newest - Homeland Sec.
- Make up 60% Fed. workforce
- Senate confirmable
- Supposed to establish dept policy and administer operations in line with Pres. policy
- Vary in size and budget - DoD 800,000 + 1.4m uniformed, DoHHS spends 40% all fed. spending

## Agencies:

- Like depts but with fewer responsibilities
- Heads report directly to Pres
- Usually separate for symbolic reasons e.g. DoD = military, NASA = space for peaceful purposes
- Can be promoted to Dept e.g. Veterans Affairs 1989, EPA attempted by Clinton

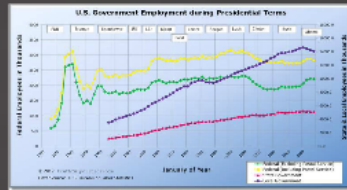
## Commissions:

- Regulatory
- Gain authority from Congress
- Fixed term to avoid bias
- Cannot be removed by Pres
- Technical rather than political
- Insulates politicians from tough choices due to independence
- Take credit for success e.g. 8 yrs econ. growth attributed to Fed Reserve under Clinton, but often pass on blame due to lack of Pres. control over them
- E.g. Fed Reserve, FEC, Central Bank USA, Equal Opportunity Employment Commission

## Corporations:

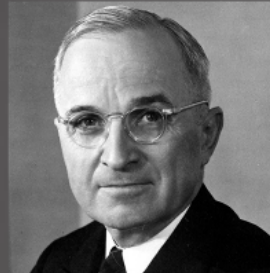
- 1930s Congress est. to perform functions that private firms could but at lower costs
- e.g. AMTRAK and US Postal Service
- Postal Service = 850,000 employees
- Controversial - should government be in the business of business?

# Appointments



- 4 million employees; 2.8 million are civilians or “civil servants”
- President only appoints 3% (patronage or political appointments)
- 15 cabinet level departments
- 200+ independent agencies with 2,000+ bureaus, divisions, branches, etc.
- Biggest - Dept. of Defense, U.S. Postal Service, Veterans Administration

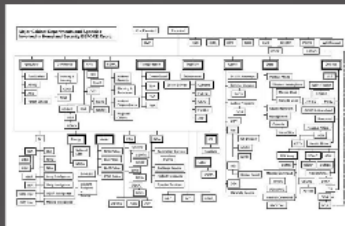
# Presidential Control



I thought I was the President but when it comes to those bureaucracies I can't make them do a damn thing



It is even worse than I anticipated



Nixon - Management by Objectives  
Carter - Zero Based Budgeting  
Clinton - Reinventing Govt  
Bush - Management Agenda  
Obama - Transparency

- Grading Depts
- Increasing oversight
- Performance related pay
- Competitive Sourcing
- Sunset Process



- Unrealistic
- All laws, not new laws
- Compromises independence
- Hinders fraud identification
- Lack of expertise



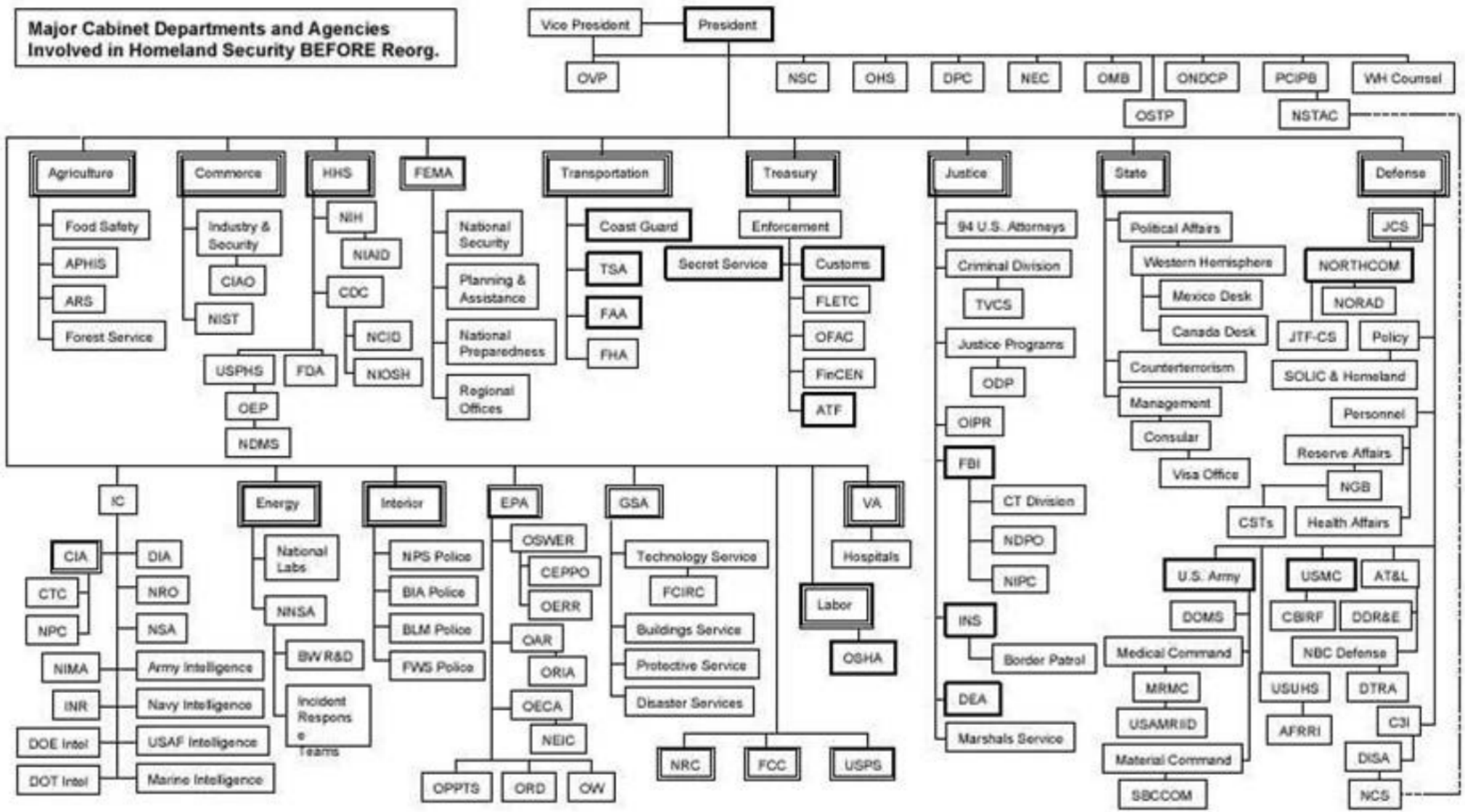
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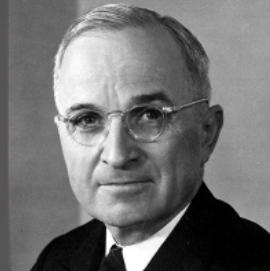


It is even worse than I anticipated

**Major Cabinet Departments and Agencies Involved in Homeland Security BEFORE Reorg.**



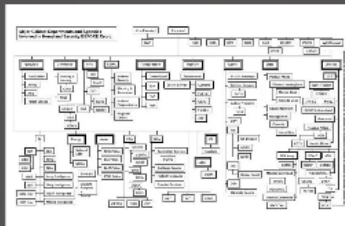
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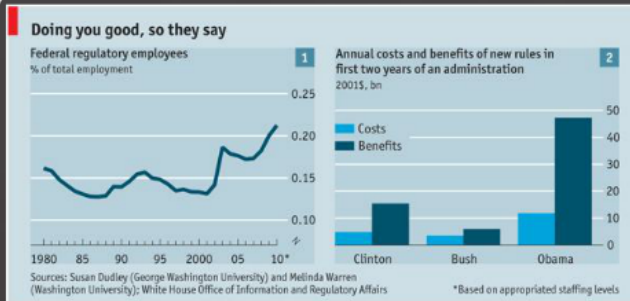
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# Obama and the FB

## Obama's First Term

## Failure?



<http://www.economist.com/node/17961890>

- 2009-2011 federal government issued 137 "economically significant" rules, (meaning either the rule's costs, or its benefits, exceed \$100m a year) - 40% more than the annual rate under Bush (jr) and Clinton
- The regulatory workforce has grown 16% in Mr Obama's first two years in office, to 276,429, while private employment has fallen
- A law passed last December gives the FDA new authority to order food recalls. Despite its inactivity, food manufacturers backed the law in the hope that it would restore public trust in the food system, which had been shaken by fatal outbreaks of E. coli and salmonella.
- A similar attitude underlies both the thicket of homeland-security rules that has sprung up since the terrorist attacks of September 2001, and financial reforms since the banking crisis. These are justified largely by arguing that another terrorist attack or financial crisis would be unimaginably damaging. But since the probability of either event seems unknowable, so are the benefits that might accrue from the laws.
- Perhaps Mr Obama's new edict will hock away some of the regulatory undergrowth that has flourished over the decades. But business could be waiting a while for results, as December the Environmental Protection Agency took saccharine, an artificial sweetener, off its list of hazardous materials - more than a decade after scientists had concluded it was not carcinogenic after all.

## Success?

- Existing rules are also being enforced more keenly. The workplace-safety regulator slapped employers with 167% more violations in Mr Obama's first year than in Mr Bush's last.
- The Food and Drug Administration (FDA) has stepped up scrutiny - last year it barred the use of Avastin for breast cancer, not because it was unsafe but because its benefits seemed too uncertain.
- The White House Office of Information and Regulatory Affairs (OIRA) reckons that although Mr Obama's regulations cost more than his predecessors', they also bring greater benefits - fewer lives lost from inhaling mercury, being hit by lorries, or eating contaminated food.
- On January 18th 2011, Obama signed an executive order reiterated guidelines first issued by Clinton and adhered to by Bush: rules should be subject to cost-benefit analyses, imposed in the least costly way and leave companies free to work out how to comply. Mr Obama also went further, ordering all regulatory agencies to put in place within 120 days a system for reviewing old rules to see if they can be amended or repealed, and to ease the burden of regulation on small businesses.

**The Sinkhole of Bureaucracy** - A great example of the successes and failures of control of FB by looking at the retirement process: [http://www.washingtonpost.com/sf/national/2014/03/22/sinkhole-of-bureaucracy/?tid=pm\\_politics\\_pop](http://www.washingtonpost.com/sf/national/2014/03/22/sinkhole-of-bureaucracy/?tid=pm_politics_pop)

**Waste, however, continues...** <http://www.washingtonpost.com/blogs/federal-eye/wp/2014/10/10/u-s-scrapped-486-million-aircraft-fleet-that-taxpayers-bought-for-afghanistan/>



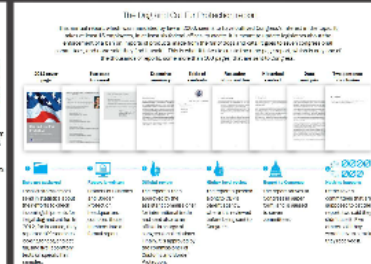
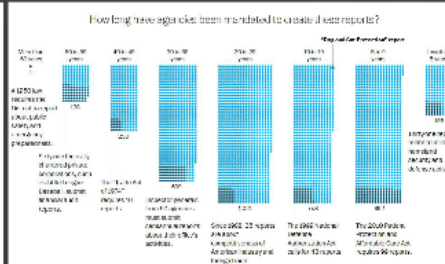
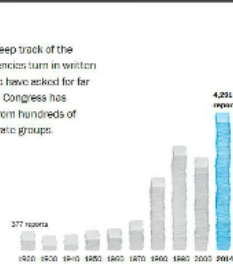
**...and control still remains an issue...** <http://www.washingtonpost.com/wp-srv/special/national/government-reports/>

### The circular files

For decades, Congress has been trying to keep track of the federal bureaucracy by mandating that agencies turn in written reports about their work. By now, legislators have asked for far more reports than they can keep track of. Congress has identified 4,291 reports that are required from hundreds of agencies across government, and even private groups.

Some reports are never turned in. Others, such as the "Dog and Cat Fur Protection" report, are still prepared and sent, even though Congress does not need them anymore. Some are ignored and wind up in the trash.

Read related article



Obama's attempt at control timeline - <http://www.govexec.com/management/2012/07/obamas-efforts-tame-bureaucracy/56706/>

For those who fancy something more challenging to read - <http://www.heritage.org/research/reports/2013/05/red-tape-rising-regulation-in-obamas-first-term>

# Congress and Control

- Power of the Purse - signing the budget for each dept e.g. 2016 Budget proposals include an extra \$38bn for DoD - <http://www.washingtonpost.com/blogs/wonkblog/wp/2015/02/02/a-simple-guide-to-obamas-new-proposals-for-spending-and-taxes/>
- Abolish/merge/create depts - Homeland Security Act 2002 - <http://www.dhs.gov/creation-department-homeland-security>
- Fixed Terms of appointment and Senate confirmable posts - and the Supreme Court can help! - <http://www.reviewjournal.com/politics/government/supreme-court-rejects-recess-appointments-obama>
- Structural details - allowing Veterans Affairs to become a Dept, but rejecting the EPA under Clinton
- Oversight and investigations - e.g. investigations in to administrations actions in Benghazi - <http://www.dailymail.co.uk/news/article-2844926/US-Congress-report-debunks-Benghazi-attack-claims.html>



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# The Federal Bureaucracy

