Chapter 10 The Federal Bureaucracy

* **Bureaucracy**-organization of government administrators
* **Bureaucrat**-one who works for a department or agency of the federal government; a civil servant
* The federal bureaucracy is organized into departments, agencies, boards, commissions, corporations and advisory committees.
* Most agencies report to the president and almost all were created by an act of Congress.
* In an indirect way, the Constitution provided for the bureaucracy in **Article II, Section 2**:

*“He [the president] may require the Opinion, in writing, of the principal Officer in each of the executive Departments, upon any subject relating to the Duties of their respective Offices…”*

* Article II also gives the president the power to appoint the heads of those departments. So, it seems the Founders anticipated the need for creating federal agencies that would carry on the day-to-day business of government. Don’t be fooled…the Founders would no doubt be shocked by the size and scope of today’s federal bureaucracy! However, keep in mind how much things have changed and how large our population has grown. Also, remember the vagueness of the Constitution. It’s not necessarily true to say that Founders never wanted a large government…Alex Hamilton! (In 1801, the federal government had roughly 2,100 employees. These were postmasters, tax collectors, commissioners of Native American affairs, customs collectors, marshals and clerks.)
* The largest part of the federal bureaucracy is the 15 cabinet departments:
* There are many levels that exist within these departments that have various names such as bureaus, agencies, offices, administrations or divisions.
  1. **Defense Department** (1789)-The civilian officials in this department work with the Joint Chiefs of Staff (leaders of Army, Navy, Marines and Air Force) to manage the armed forces of the U.S.
* Food for thought: This department was originally known as the War Department. In 1947, Congress merged the Department of War with the Department of the Navy and called it the Defense Department. Cool, huh? ☺
  1. **State Department** (1789)-This department is responsible for implementing the foreign policy of the U.S. It also protects the rights of American citizens traveling in foreign countries. The State Department has several key functions:
     1. It staffs *embassies*, or offices of ambassadors in foreign countries.
     2. It analyzes issues related to American interests in other countries.
     3. It represents American positions to the United Nations (UN).

* + - * Food for thought: The State Department was originally called the Department of Foreign Affairs.
  1. **Treasury Department** (1789)-The main duty of this department is to manage the monetary resources of the U.S.
     1. Within the Treasury Department, the *Bureau of Mint* manufactures coins and the *Bureau of Engraving and Printing* produces paper money.
     2. The largest bureau within the Treasury Department is the *Internal Revenue Service* (IRS). The IRS creates the nation’s tax code and collects taxes paid by American citizens and businesses each year.
     3. Also within this department is the *Bureau of Public Debt*, which is in charge of borrowing any money needed to operate the federal government.
  2. **Interior Department** (1849)-This department protects public lands and natural resources and oversees relations with Native Americans.
     1. *The Bureau of Mines* is within this department and it oversees the mining of natural resources.
     2. *The National Park Service* also falls under the Interior Department and it manages national monuments, historic sites, and national parks.
  3. **Agriculture Department** (1862)-This department was created to help farmers improve their incomes and expand their markets. It also develops conservation programs, provides financial credit to farmers and safeguards the nation’s food supply.
  4. **Justice Department** (1870)-In 1789, Congress created the office of attorney general to oversee the nation’s legal affairs. Then, in 1870, The Department of Justice was created to assume those duties. This department contains several agencies:
     1. *Federal Bureau of Investigation (FBI)*
     2. *U.S. Marshal Service*
     3. *Drug Enforcement Administration (DEA)*
     4. *The Antitrust Division*
     5. *The Civil Rights Division*
  5. **Commerce Department** (1903)-This department promotes and protects the industrial and commercial segments of the American economy. 3 agencies of this department carry out constitutional directives:
     1. *The Bureau of the Census* (counts the population every 10 years by conducting the census)
     2. *The Patent and Trademark Office* (issues patents for new inventions and registers trademarks)
     3. *The National Institute of Standards and Technology* (provides uniform standards for weights and measures)
  6. **Labor Department** (1913)-This department protects American workers by ensuring safe working conditions, safeguarding minimum wage, and protecting pension rights.
     1. Within the Labor Department is *The Bureau of Labor Statistics*, which analyzes data on employment, wages, and compensation.
     2. *The Office of the American Workplace* works to encourage cooperation between labor and management.
        + Food for thought: The Labor Department was originally a bureau within the Department of Commerce
  7. **Housing and Urban Development Department** (1965)-This department was created to ensure that Americans have equal housing opportunities.
     1. *The Government National Mortgage Association* helps make mortgage money available for people to buy homes.
  8. **Transportation Department** (1966)-This department is divided into separate agencies to help it regulate all aspects of American transportation needs:
     1. *The Federal Aviation Administration* regulates air travel.
     2. *The Federal Railroad Administration* oversees the nation’s railroads.
     3. *The Federal Highway Administration* regulates the country’s highways.
     4. *The Federal Transit Administration* is responsible for the nation’s mass transit.
  9. **Energy Department** (1977)-This department plans energy policy and researches and develops energy technology.
     + - The Energy Department was created in response to the nation’s first major energy shortage.
* Tell me what you think…Should the government promote policies to encourage energy conservation? Or, should energy prices and energy consumption be left to the free market?
  1. **Health and Human Services Department** (1979)-This department is concerned with public health and social services. Its main job is managing the federal Medicare and Medicaid programs.
     1. *The Public Health Service* is an agency within this department that helps implement a national health policy, funds medical research, and ensures the safety of food and drugs.
     2. *The Food and Drug Administration* inspects food and drug processing plants and must approve all new drugs before they can be sold.
  2. **Education Department** (1979)-This department was created to coordinate federal assistance programs for public and private schools. Today the department oversees programs to help students with limited English proficiency as well as programs for physically challenged students.
     + - Food for thought: Both the Health and Human Services Department and the Education Department became separate departments in 1979. They were established in 1953 as the *Health, Education and Welfare Department.*
  3. **Veterans Affairs Department** (1989)-This department administers several hospitals as well as educational programs for veterans and their families.
  4. **Department of Homeland Security** (2002)-This department was created in response to the terrorist attacks of September 11. It controls many agencies including:
     1. Coast Guard
     2. Border Patrol
     3. Immigration and Naturalization Service
     4. Customs Service
     5. Federal Emergency Management Agency
* The federal bureaucracy also includes more than 100 independent agencies that survive off of government funding. Some of these are very well known like the *National Aeronautics and Space Administration (NASA)* and the *Social Security Administration*. Others, like the American Battle Monuments Commission, are less known.
* Some independent agencies perform services for the executive branch. One of the most famous is the *Central Intelligence Agency* (CIA). They gather information about what is going on in other countries, evaluate it and then pass it on to the president and other foreign policy decision-makers.
* Many major agencies are *government corporations*, or businesses that the federal government runs that serve the public. Today, the executive branch runs at least 60 government corporations. Some of the major ones are:
  1. The *Tennessee Valley Authority* which builds dams and supplies electric power for an eight-state area.
  2. The *Federal Deposit Insurance Corporation* (FDIC) insures bank accounts up to a certain amount. So, if the bank fails the FDIC would take over and repay the depositors.
  3. The *United States Postal Service* is the best known government corporation. The USPS was originally an executive department known as the *Post Office Department*, but it continued to lose money. So, in 1970, it became a government corporation and was renamed the USPS. Since becoming a corporation it keeps a balanced budget, partly because Congress gave it the exclusive right to carry first-class mail.
* *How is a government corporation similar and different to a private corporation?*
* These government corporations are run much like small businesses. Each has a board of directors and executive officers who direct the day-to-day operations. Any money earned is put back into the business so they do not make a profit. Unlike private corporations, money from Congress supports government corporations. Whereas small businesses receive support from private investors.

**Enrichment:** Have students use the Internet to learn who currently heads each of the cabinet departments listed in the table and what former occupation, training, or education prepared each department head for his or her current position.

Have students write an essay in which they defend or refute this statement: “Space exploration, although interesting, is an unnecessary luxury that the federal government, with its enormous debt, cannot afford.”

Have students select one independent agency or government corporation and prepare a report on its history and purpose. Reports should also discuss any recent changes in the organization or current controversies.

Section 2

* Who makes up the federal bureaucracy?. The typical man or woman in federal service is more than 40 years old and has worked for the government for about 15 years The majority of civilian employees earn between $25,000-$50,000 per year. About 44% are women and 30% are minorities.
* Early presidents appointed people from their own parties to government service. In 1829, President Andrew Jackson created something called the *spoils system* which refers to the practice of victorious politicians rewarding their followers with government jobs. This became the practice of filling government jobs for the next 50 years.
* Naturally the spoils system began to create inefficiency and corruption. Inefficiency grew because as government became more complex, many jobs required specific skills that most federal workers did not have. Corruption developed as people used their jobs for personal gain. Government employees did special favors for special-interest groups in return for political support for their candidates. Jobs were often bought and sold. People made large profits from government contracts.
* Calls for reform began and in the 1850s, but were largely ignored until President James Garfield ignored the requests of Charles Guiteau for a job in diplomatic service. So, Guiteau shot and killed the president in 1881. The American public was outraged. This lead to the passing of the *Pendleton Act* in 1883, which created the *civil service system* (a principle and practice of government employment on the basis of open, competitive exams and merit). The Pendleton Act set up the *Civil Service Commission* to administer exams and supervise the operation of the new system.
* Today, the competition for government jobs is tough. Every job opening has roughly 80 applicants. Since the cutting of 252,000 federal jobs by the Clinton Administration, this job market is smaller making it more competitive. These jobs are attractive because of the competitive pay, excellent benefits and retirement.
* The main problem with federal jobs:
  + All civil service workers have job security. They may be fired but only through a very long series of hearings. Many supervisors find it easier to tolerate incompetence than go through the firing process.
  + So, on the one hand civil service jobs were designed to hire people based on merit and protect them from being fired for political reasons. On the other hand, the system also indirectly helps protect incompetent and inefficient employees.
* The ***Hatch Act*** was passed by Congress in 1939 to limit how involved federal employees can become in an election. This is designed to prevent corruption between political parties and federal employees.
  + This law has been controversial since its passing and its constitutionality has been examined in two Supreme Court cases.
    - Many federal workers dislike the act arguing that it violates their freedom of speech and that the act discourages political participation by people who may be well informed about political issues.
    - Those who support the act believe it is needed to keep the federal civil service politically neutral. They argue that the act protects workers from political pressure from superiors and it prevents employees from using their government positions to punish or influence people for political reasons.
* In 1993, Congress revised the Hatch Act to address its criticisms. The amended law prohibits federal workers from engaging in political activities during work hours, including wearing a campaign button. They cannot run for office or solicit public contributions. When they are not at work, they can hold office in a political party, participate in political campaigns and rallies, publicly endorse candidates, and raise funds from within their government agency’s political action committees.
* In each presidential election year, Congress publishes something called the ***plum book***. The term refers to a political plum, a job that the new president can award to supporters. The plum book lists all such jobs.