Chapter 7 – Bureaucracy and the Executive Branch

AP Government
The Paradoxes of Bureaucratic Politics

Americans generally have negative views of bureaucracy, and we tend only to focus on bureaucracy when it breaks down.

Executive agencies and departments perform essential functions in American society and the American economy. Benefit daily from programs administered and services provided by the U.S. Weather Service, the Department of Transportation, the U.S. Postal Service, the FDA, the EPA, and many others.
In recent years, presidents of the United States have argued that the federal government has grown too large.

— Republican Ronald Reagan declared that government is often the problem.

— Democrat Bill Clinton proclaimed that “the era of big government is over.”
Despite bureaucratic unpopularity and general fears of “big government,” the federal bureaucracy has hardly grown at all during the past quarter century:

– The size of the federal workforce as a percentage of the total workforce has declined.

– The size of the federal budget as a percentage of the overall economy has remained largely unchanged since 1960.
FIGURE 7.4 Employees in the Federal Service: Total Number as a Percentage of the Workforce


NOTE: Workforce includes unemployed persons.

*Lines between 1939 and 1946 are broken because they connect the last prewar year with the first postwar year, disregarding the temporary ballooning of federal employees, especially in the military, during the war years.
FIGURE 7.5 Annual Federal Outlays

*Data for 2007–8 are estimated.

Bureaucracy in a Democracy

**Image Problem** – People feel bureaucratic procedures are often inefficient and frustrating.

*Bureaucracy* itself is a pejorative term that means “government run by desks.”

Refers to the principles of organization in governmental administration.
Organization of Bureaucracy
Bureaucracy

- Organizations approximate the shape of a pyramid.
- Bureaucracy supposed to make government possible through two parts
  - Efficiency
  - Credibility
Bureaucratic hierarchies (the “chain of command”) must be obvious to people inside and outside a bureaucracy.

Such a clear hierarchy facilitates the flow of information in a bureaucracy, enhancing both responsiveness and accountability.

Division of Labor creates more efficient structure.
Once authoritative policy makers surrender authority to bureaucracies, the task is to maintain both responsiveness and accountability.

Responsiveness refers to the efficiency with which bureaucrats respond to signals from authoritative policy makers.

Accountability refers to the need to reward or punish individual bureaucrats on the quality of their performance.
Democratic Control

Bureaucrats are political actors who, as agents of Congress and the president, seek to implement authoritative policy decisions.
Bureaucratic Institutions

Bureaucratic hierarchies and a division of labor promote the development of expertise and efficiency.

The bureaucracy is organized into departments and independent agencies.

Departments are organized into tiers:
- 1st tier → secretary
- 2nd tier → undersecretaries
- 3rd tier → bureau level
FIGURE 7.2 Organizational Chart of the Department of Agriculture (top)
Figure 7.2 Organizational Chart of the Department of Agriculture

- Risk Management Agency
- Rural Business Cooperative Service
- Economic Research Service
- National Agricultural Library
- National Agricultural Statistics Service
- Grain Inspection, Packers, and Stockyards Administration
- Assistant Secretary for Congressional Relations
- Assistant Secretary for Administration
- Assistant Secretary for Civil Rights

Executive Agencies

- Within a department is the bureau level with responsibility for specialized programs.
- The Forest Service and the Food Safety and Inspection Service are examples of a bureau-level agency.
Executive Agencies

- **Independent agencies** are outside the departmental structure.
- Broad powers to provide public services
- National Aeronautics and Space Administration (NASA), the Central Intelligence Agency (CIA), and the Environmental Protection Agency (EPA) are examples of independent agencies.
Executive Agencies

• Government Corporations
• More like private businesses that charge for market service.
• Examples include the United States Postal Service and Amtrak.
Executive Agencies

• **Independent Regulatory Commissions**

• **Broad discretion to make rules.**

• **First regulatory agency was the Interstate Commerce Commission – 1887**
  – Congress saw these entities as mini-legislatures
  – Industry requires expertise and full time attention

• **Others set up by Congress**
  – Federal Trade Commission – 1914
  – Federal Communications Commission – 1934

• **In 1960’s – placed regulatory groups in existing departments – report to president.**
“Bureaucrat” is the term used to describe the employees in public bureaucracies who are selected based on merit through the civil service system.

Bureaucrats implement public policy, make administrative rules, and apply those rules in specific cases making “quasi-judicial decisions”. (Rulemaking)
Bureaucracy

Bureaucracies (executive branch departments and agencies) are where the authoritative decisions of government are implemented. Examples include:

- the Food and Drug Administration (FDA)
- the Department of Agriculture (USDA)
- the Federal Communications Commission (FCC)
- the Occupational Safety and Health Administration (OSHA)
Police officers, public school teachers, soldiers, and even professors at public universities are bureaucrats in the sense that they are state actors who implement public policies.
Bureaucrats Settle Disputes

• Administrative adjudication is like the judiciary, they apply rules and precedents to specific cases to settle disputes.

• Product recalls are often the result of adjudication.
History of Bureaucracy
History

• The national government initially became involved in the regulation of economic and social affairs in the late nineteenth century.
• Regulatory agencies began dating from the 1930s.
• Rules made by regulatory agencies have the force of legislation.
History

• Congress did not want to turn over this power to the president initially, instead creating independent commissions responsible to the Congress.

• Later, 1960’s and 1970’s, new agencies placed under existing departments, answering to President.

• This earning the reference “headless fourth branch” of government.
<table>
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<tr>
<th>19th Century Bureaucracy</th>
<th>20th Century Bureaucracy</th>
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<tr>
<td>• politicized</td>
<td>• professionalized</td>
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<td>• government jobs were “patronage” jobs given to political supporters</td>
<td>• most government jobs were “civil service” jobs awarded on merit</td>
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<tr>
<td>• bureaucracy more representative and accountable to people</td>
<td>• decreased potential for cronyism and the political administration of policy</td>
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Note: The chart stops at 1971 because the Postal Reorganization Act of 1970 (which would take effect by 1972) significantly altered the percentage of employees under the merit system without altering the president’s ability to control the executive branch.
Bureaucratic Legislation

• Legislation passed in 1966 was designed to give ordinary citizens the right to access agency files and agency data to determine whether derogatory information exists in the file about citizens and to learn about what the agency is doing in general.

• This was the Freedom of Information Act.
Executive Agencies and Departments
Agencies

• 3 types of agencies for the maintenance of the United States
  – Agencies for managing the sources of government revenue
  – Agencies for controlling conduct defined as a threat to internal national security
  – Agencies for defending American security from external threat
Revenue Agencies

• The Internal Revenue Service (IRS).
  – Over 100,000 employees
  – In 2006 130 million tax returns filed and collected over $2.2 trillion in taxes.
Agencies for Internal Security

- As long as the United States is not in a state of insurrection, most of the national government’s task of maintaining internal security takes the form of legal work.
  - Justice Department’s Criminal Division
  - Federal Bureau of Investigation (FBI)
  - Department of Homeland Security
Agencies for External Security

- Two departments – State and Defense
- State Department – diplomacy, intelligence, research, economic and business affairs.
- Defense – Largest number of career government professionals working abroad.
  - Pork barrel politics a problem
  - To ensure political support from elected officials, military bases, contracts, facilities, and jobs located in various states and districts as an example of distributive tendency.
Others - Fiscal and Monetary Agencies

- **Fiscal** – government activity related to money.
- **Monetary** – policies related to banks, credit, and currency.
- The Treasury Department performs more than one function - currency
  - Fiscal agency
  - Internal Security Agency.
- The Federal Reserve System is an agency of monetary policy with authority over credit rates and lending practices of banks.
Welfare Agencies

• Social Security Administration – largest welfare agency.

• Department of Health and Human Services – deals with Temporary Assistance to Needy Families (TANF) and Medicaid.

• Department of Agriculture handles the Food Stamp Program.

• Most of the programs are *means-tested*, requiring applicants to demonstrate need.
Before-the-Fact Controls
Political weapon for controlling the bureaucracy is the appointment process.

After-the-Fact Controls
Presidents use executive orders, reorganization plans, influence over bureaucratic budgets, and “clearance” of administrative decisions to control bureaucratic activities.
Congressional Agencies

• Congress has created the Government Accountability Office, the Congressional Research Service, and the Congressional Budget Office to engage in constant research on problems taking place in the Executive Branch.
The “Iron Triangle”

- Concept in U.S. politics which refers to a three-sided relationship between Congress, a Federal department or agency, and a particular industry or interest group.
Future of Bureaucracy
Growth in Bureaucracy

• The fastest growing sector of government employment is at the local level according to Figure 7.6 Government Employment.
Can Bureaucracy Be Changed?

Some politicians have sought to “reinvent” bureaucracies to make them more efficient, accountable, and effective.

Politicians have also sought to downsize the federal bureaucracy through:
- termination
- deregulation
- devolution
- privatization
Termination is the strategy of eliminating programs and departments.

Some have sought to reduce the budgets and policy scope of regulatory agencies to advance a policy of deregulation.

Devolution is an attempt to take power away from the national government bureaucracy and delegate it to the state and local levels.

Privatization is the strategy of replacing government control or implementation of a program by contracting with private sector companies.
Reducing Bureaucracy

• The growth in the federal service reached its peak in the post-war level at 2.9 million in 1968. Additionally, 3.6 million military personnel were deployed.

• Of the fifteen executive Cabinet departments, the one with the most employees is the Department of Defense. (616,000)

• Overall, our government bureaucracy has not grown any faster than the economy or society.