The Roots and Development of the Federal Bureaucracy

What is a bureaucracy? How does it operate? Who staffs them? Why do they exist? What are the historical roots of our bureaucracy?

A bureaucracy is a system of organization noted for its size and complexity. The responsibilities, job, and assignments within a bureaucracy exist to achieve some goal. Bureaucracies are found at the federal, state, county, and municipal levels of government. People who work for government agencies, are called bureaucrats.

The terms bureaucrat and bureaucracy have negative connotations bringing to mind long, difficult forms; standing in long lines; and encountering inflexible and unsympathetic clerks. Despite this popular perception, bureaucracy is necessary for big governmental agencies to operate.

The key factors of a bureaucracy that permit it to function smoothly are:

- an hierarchical chain of command
- division of labor and specialization
- clear lines of authority
- structure, authority, and rules with specific goals
- impersonal rules and merit-based decision-making
- productivity evaluated by established rules

Here are further details about three of these characteristics:

1. **Specialization**

   Workers in a bureaucracy perform specialized tasks that call for training and expertise. Trained personnel can accomplish their jobs efficiently. The downside of specialization is that bureaucrats often cannot take on a task that is outside the scope of their job description.

2. **Hierarchical Organization**

   The structure of a bureaucracy is called a hierarchy, a succession of tiers from the most menial worker in the organization to the highest executive. Each level has clearly defined authority and responsibilities.
3. **Formal Rules**

Bureaucracies function under formal rules. These instructions state how all tasks in the organization, or in a particular tier of the hierarchy, are to be performed. The rules are often called **standard operating procedures** and are formalized in procedures manuals.

**The Growth of the Federal Bureaucracy**

**From George Washington to the Progressive Era**

In 1789, George Washington headed a federal bureaucracy of three departments: State, War, and Treasury. The head of each department came to be called a secretary. The government slowly grew as needs arose and demands were articulated. In general, the government grew most during crises and times of war.

**The Civil War and its Effects on Government Growth**

The Civil War (1861-65) permanently changed the nature of the federal bureaucracy. Thousands of employees were added in order to mount the war effort. Poor harvests were a serious issue during the war. To assist in feeding the troops, Abraham Lincoln created the Department of Agriculture in 1862.

After the Civil War, demands continued to grow. The government needed to pay pensions to veterans and the injured from the war. Legal issues became pressing so the Justice Department was created.

**The Progressive Era and Government Growth**

The country continued to expand. New territories became new states and the federal government continued to get bigger in response. The industrial revolution of the late 1800s brought big business into the picture, including price fixing monopolies, and unfair business practices. In response, Congress created the first independent regulatory commission called the Interstate Commerce Commission (ICC). This signified a shift in the powers of government from service to regulation. The 16th Amendment allowed the government to tax personal income. This infusion of funds made it easier to support new services, agencies, and programs.

**The New Deal and Bigger Government**

Franklin Roosevelt (FDR) faced high unemployment and weak financial markets during the Great Depression. In order to face that crisis, he created large numbers of federal agencies and many federal programs. These agencies were quickly passed by Congress but stalled by the Supreme Court. In 1937, the Court argued that far ranging authority to regulate the economy was beyond the purview of the president and Congress. The Supreme Court invalidated much of the New Deal. FDR was frustrated and proposed adding appointees to the Court to change the majority vote. This is often referred to as
FDR's plan to pack the Court. The Court quickly changed its mind and began voting in favor of the New Deal programs.

The Modern Bureaucracy

From the 1830s until the 1880s, with a high water mark under Abraham Lincoln, public jobs came to be known as the 'spoils of politics' hence the name 'the spoils system.' The idea being that public jobs were the spoils for whomever won the election. So when one party won, the whole bureaucracy was fired and in came supporters of the winning party. By 1880, many were calling for a change. Government administration had become too political, had no job security, and people were not doing their jobs because they had no aptitude to do so, they were just someone's political friends.

Finally in 1883, Congress passed the Civil Service Reform Act, more commonly known as the Pendleton Act, in order to reduce patronage and build up a merit based system of public jobs. The Act created the principle of federal employment based on open competitive exams and created a bipartisan Civil Service Commission to oversee the reforms. Initially, only 10% of federal jobs were covered by civil service, today over 90% are. This system is known as the merit system.

Critics often complain that government is not run like a business. That is true. Governments exist for the public good not for profit. Government leaders are driven by reelection (and thus accountability) rather than profits.

Formal Organization of the Federal Bureaucracy

Agencies fall into four general types: Cabinet departments, regulatory commissions, independent agencies, and government corporations.

Cabinet Departments

The 15 Cabinet departments are major administrative units that have responsibility for conducting broad areas of government operation. These positions account for 60% of the federal workforce.

Departments vary in prestige, power, size, and access to the president but share a number of common attributes: each is headed by a secretary (except Justice that is headed by the Attorney General); secretaries are assisted by deputies and undersecretaries; departments are subdivided into functional units (legal services, budgets, public relations, and so on).

Independent Regulatory Commissions

Independent regulatory commissions exist to regulate a specific economic activity or interest such as the National Labor Relations Board or Securities and Exchange Commission. They are independent because once their membership is appointed by the president, they cannot be removed without cause. They also have staggered terms of office to ensure that no one party gets to appoint all members.
Independent Executive Agencies

Independent executive agencies have narrower mandates than a Cabinet department. They generally perform a service function not a regulatory one, some examples include: CIA, NASA and the EPA.

Government Corporations

Government corporations began in the 1930s. They are businesses created by Congress to perform functions that could be performed by private business but aren't usually because they are not profitable. These corporations include Amtrak and the Tennessee Valley Authority.

Who are the Bureaucrats?

There are 15 Cabinet level departments in the federal government today. There are more than 60 government agencies and 2,000 other subunits of the US government. There are about 2.8 million civilian employees of the federal government. Nearly 25% of those work in the Postal Service and 33% work for the Department of Defense. The remaining workers are spread out amongst the rest of the governmental departments and agencies.

Most government employees are part of the civil service. That means they take a test and are hired, at least in part, based on their test scores. Mid and upper level employees generally do not take a written test but are subject to strict qualification guidelines.

Ten percent of the federal bureaucracy is not covered by civil service laws. These positions include: a) about 600 people appointed by the president some with the advice and consent of the Senate. Senior presidential appointees then appoint the next tier of appointees; b) independent regulatory commissioners appointed by the president; and c) low-level non-patronage positions. Some of the most highly skilled and efficient workers in the world work for the government from biochemists working in zoologists at the National Zoo, forest rangers, statisticians, and more. Federal employees are also a diverse lot basically representing the racial and ethnic composition of the population at large though women are less represented than men and often have lower level positions under the proverbial 'glass ceiling.'

Only 11% of federal workers work in Washington, DC. The rest are scattered in regional, state, and local offices throughout the country. The federal government is not currently growing--as a matter of fact it has been getting smaller for years.

Politics and Government Workers

The Hatch Act, enacted in 1939, was designed to protect federal employees from being forced to contribute to or work for election campaigns. It also was supposed to prevent federal employees from working in concert to elect members of Congress or the president. The Hatch Act prevented federal employees from being directly involved in political campaigns.
The 1993 Federal Employee Political Activities Act allows employees of the federal government to run for office in nonpartisan elections (like school boards), contribute money if they wish, and participate in campaigns in their after work hours.

**Policy Making**

When Congress creates any kind of federal agency, department, or commission, it is actually delegating some part of its powers listed in Article I, section 8 of the U.S. Constitution. Congress sets parameters, guidelines, and then leaves it to the agency to work out the details. How agencies execute congressional wishes is called implementation.

**Administrative Discretion**

In addition to making policy, bureaucracies also implement policy made by others. They take the laws made by Congress, the president, and courts and develop rules and procedures to make sure they are carried out. Since laws and regulations are often written in a vague way as the result of compromises during the policy making process, there is often a lot of 'wiggle room' to decide what various passages mean. These choices are often called administrative discretion and allow the bureaucracy a lot of power over shaping policy. This power is also exercised through rule-making and administrative adjudication.

**Rule Making**

Bureaucracies write regulations that have the force of law. All such rules are printed in the Federal Register. They take effect 30 days after printing. Many rules are written only after formal hearings and discussion.

**Administrative Adjudication**

Administrative adjudication is a quasi-judicial function in which the agency forces compliance with rules through a type of trial.

**Making Agencies Accountable**

Bureaucracies are created by Congress, appointed by the president, funded by Congress, governed by the president, and paid for by the taxpayer

**Executive Control**

The president has the authority to:
- appoint and remove agency heads
- reorganize the bureaucracy
- make changes in budget proposals
- ignore initiatives from the bureaucracy
- issue executive orders
- reduce an agency's budget

**Congressional Control**

Congress has the authority to:
• pass legislation that alters an agency’s functions abolish existing programs
• investigate bureaucratic activities
• influence presidential appointments
• write legislation to limit bureaucratic discretion
• limit the use of funds or reduce appropriations to the agency

Judicial Control
The judiciary has the power to:
• rule on whether the bureaucracy has acted within the law
• rule on constitutionality
• force respect for the rights of individuals through hearings

So the bureaucracy is subject to significant oversight. It is shrinking in size. A large and diverse number of people work for the government, mainly outside of the capital city of Washington, DC.