

The Cabinet and Independent Agencies

- Background: Federal Agencies
 - Resource: The President's Cabinet
 - An Introduction: May I Introduce Independent Agencies?
 - Resource: What About the Money?
 - Focus: The Federal Reserve
 - Student Activity: Get Acquainted with Independent Agencies and Their Leaders
 - Think Like a Reporter: Know Who Does What
- 
- A collage of numerous official seals and logos of various U.S. federal agencies, including the Department of State, Department of Defense, U.S. Army, and others, arranged in a circular pattern. The seals are colorful and feature various symbols such as eagles, stars, and animals. The collage is set against a background of a large, stylized gear or cogwheel.



An Integrated Curriculum For The Washington Post Newspaper In Education Program

The Founders and writers of the U.S. Constitution created a government where power is shared by three co-equal branches of government: the Legislative (Congress), Executive (President), and Judicial (the Supreme Court and lower federal courts). For most of American history, things got done like this: Congress passed a law, the President enforced the law, and the federal courts interpreted the law. Today, this still happens.



WHITEHOUSE.GOV

But, today, most of the decisions that affect Americans' day-to-day lives are made by entities known as federal agencies. The reason for their existence is simple. Congress's job is to draft and pass legislation. Much of the legislation that they pass is broad in scope and affects millions of people. Because our country has become so populous and increasingly diverse, it would be impossible for Congress to be experts on every piece of legislation it passed.

Likewise, the President, who is tasked with enforcing the laws that Congress passes, cannot by himself do everything that is necessary to make sure that all parts of a law are being followed correctly.

Finally, the Supreme Court and federal courts are far too busy hearing and deciding cases to worry about such matters as how many judges are needed, how much the budget will be for the upcoming year, and how to supervise the thousands of federal court employees.

Federal Agencies

Agencies help each branch of government do the things they are required to do under the Constitution. The vast majority of agencies are created by Congress through enabling statutes, which are the laws that specify the agency's duties.

Most agencies fall under the Executive Branch of government (under the President's control), since the job of these agencies is to enforce the laws that Congress has passed. Executive agencies are one of two types: a Cabinet agency or an independent agency.



WHITEHOUSE.GOV

ABOUT THE AUTHOR OF THIS LESSON

Daniel J. Crooks III was a Spring 2012 Fellow with the Marshall-Brennan Constitutional Literacy Project. Daniel graduated with a B.A. in History from the College of Charleston in 2006, with a J.D., *cum laude*, from the Charleston School of Law in May 2011, and with a LL.M. in Law and Government from the American University Washington College of Law where he specialized in U.S. Constitutional Law and the intersection of politics and the legislative process. In 2012, he was awarded the T. Morton McDonald Scholarship Award for excellence in legal research.

For more information about the Marshall-Brennan Constitutional Literacy Project visit the project's website (www.wcl.american.edu/marshallbrennan/).

The President's Cabinet

Cabinet agencies are known more commonly as Cabinet departments. They consist of the following:

Executive Office of the President
Department of State
Department of the Treasury
Department of Defense
Department of Justice
Department of the Interior

Department of Agriculture
Department of Commerce
Department of Labor
Department of Health
and Human Services
Department of Housing
and Urban Development

Department of Transportation
Department of Energy
Department of Education
Department of Veterans Affairs
Department of Homeland Security

Each of these Cabinet agencies is led by a person referred to as “secretary.” The president appoints the secretaries, but the Senate must confirm the appointment before they can get the job. The Secretary of State, for example, is currently John Kerry. The Department of Justice is lead by the Attorney General.

The importance of the Cabinet and the individuals who lead them is reflected in the order of succession to the presidency. If something should happen to the president, the vice president becomes president of the United States. In the orderly transition, the next in order are Speaker of the House of Representatives, President Pro

Tempore of the Senate, Secretary of State, Secretary of the Treasury, Secretary of Defense and Attorney General. The continuing order of succession is reflected in the listing of the Cabinet above.

As the United States grows and its needs change, Cabinet positions and their responsibilities are added. On March 9, 2006, President George W. Bush signed the USA Patriot Improvement and Reauthorization Act of 2005 into law. Among provisions was the addition of Secretary of Homeland Security as the 18th in the order of succession.



MANUEL BALCE CENETA/ASSOCIATED PRESS

Secretary of State John Kerry, left, with his wife Teresa Heinz Kerry, center, holding the Bible, is ceremonially sworn-in as the 68th Secretary of State by Vice President Joe Biden, right, at the State Department in Washington, Wednesday, Feb. 6, 2013. Witnessing the ceremony are Kerry's daughters Vanessa Kerry, obscured, and Alexandra Kerry, back center, and stepson Christopher Heinz, back right. During the first Obama administration, Hillary Clinton was Secretary of State.

May I Introduce Independent Agencies?

The other agencies are known as independent agencies because, although they fall under the Executive Branch, they are far more removed from the political process than the cabinet agencies. Independent agencies are free to make their own decisions without having to first check with the president.

Although they have much more autonomy than their Cabinet Department colleagues, independent agencies are still subject to congressional oversight. That means that Congress is always keeping an eye on what the agency is doing, and the agency leaders may even have to appear before some members of Congress (assembled in committees) to explain their decisions (or indecisions). This oversight of the agencies by Congress is how we ensure that these independent agencies don't become too powerful.

There are numerous independent agencies. These include:

- Corporation for National and Community Service
- Environmental Protection Agency (EPA)
- Federal Communications Commission (FCC)
- Federal Election Commission
- Federal Reserve Board
- General Accountability Office (GAO)
- The Library of Congress
- Nuclear Regulatory Commission (NRC)
- Office of Management and Budget (OMB)
- Smithsonian Institution
- Social Security Administration
- United States Postal Service

The heads of these agencies are appointed by the President, but must be confirmed by the Senate. Because of the important and specialized work that these agencies do, they are insulated from much of the political pressure that often influences members of Congress, the President, and cabinet-level agencies.

Keep in mind four points:

- ❶ Cabinet agencies and purely executive agencies (like the EPA, which is an odd bird and sort of a hybrid) have one head. In contrast, independent agencies have a body (Board or Commission) that consists of five to seven members. These bodies are collegial.
- ❷ These members have staggered terms, meaning that the President cannot appoint an entirely new governing body when he assumes office. Through this process, it is virtually impossible for any President to place his choice people on an independent agency and thus assert more control.
- ❸ The statutes that created these independent agencies require bipartisanship to lessen the chance of the agency becoming too political.
- ❹ Unlike the heads of the cabinet departments, whom the President can fire for any reason at all (like if the Secretary of Defense were to disagree with the President in public), the heads of independent agencies cannot be removed by the President unless he has "cause" — that is, a really good, legitimate reason regarding their job performance.



Independent agencies play a vital role in administering the law. Each agency is an expert in the area of law for which it was created. For example, the Environmental Protection Agency (EPA) oversees the laws that Congress has passed over the years that affect our environment, such as the Clean Water Act and Clean Air Act. When a company violates the Clean Water Act by, let's say, dumping toxic waste into a nearby river, the EPA has the authority to fine the company for the violation.

“The nation’s waters should be free of pollutants in order to protect the health of our citizens and preserve natural habitats. Individuals or companies shall not pollute the nation’s water. If they do, they will be fined or jailed in accordance with the law. The EPA shall set pollution standards and shall have the authority to make rules necessary to carry out this Act.”

As you can see, the law that Congress passed isn't very specific. It doesn't give specific ways to achieve pollution-free waters; rather, it leaves the details to the EPA. After all, the professionals at the EPA are experts in their field, and Congress knows this. Who better to figure out how to achieve the goals that Congress set than the people who work with the issue of pollution on a regular basis?



Recap

At this point, it is important to remember that the complex nature of our laws and the large population and geographic area of our country require that the federal government be an expert at pretty much everything, from environmental science to transportation technology to monetary policy.

Since Congress cannot possibly account for or anticipate the technical aspects required to carry out all of the laws it passes, agencies exist to handle the implementation and oversight of those laws on which

they are experts.

Remember that it is the President's job to execute (or, to carry out) the laws that Congress passes. Most agencies fall under the Executive Branch, meaning that they help the President perform his constitutional duty to faithfully carry out the laws. Congress has no power under the Constitution to enforce the laws it passes; that's why the Founding Fathers gave that power to the President and those under his control in the Executive Branch.

What About the Money?

Congress creates the independent agencies and is in charge of providing funding for them through the budgetary and appropriations process. The Executive Branch had 2,776,744 federal civilian employees in 2010, according to the 2010 census. Of these 827,466 worked for independent agencies. Beyond salaries, the programs and projects under the jurisdiction of each has to be funded.

Some of these agencies do fund themselves in whole or in part through fees passed on the industry it

regulates or through other revenue-collection means.

One example of an independent agency that is financially independent of Congress is the Federal Reserve, which funds itself through fees charged to the banks it oversees. Another example of an agency that charges fees to sustain its operations is the U.S. Postal Service. Think about the cost of stamps — this is one way for that independent agency to sustain itself financially in the long run.



LIBRARY OF CONGRESS

The Federal Reserve Board Building in Washington, D.C., was completed in 1937. The marble building houses offices of the United States Federal Reserve Board.

Monetary Policy

Monetary policy may seem like a difficult concept at first, but it's actually pretty straightforward. When we're talking about the United States' "monetary policy," we are referring to the policies established by one of the country's most important and influential agencies: the Federal Reserve.

A CLOSER LOOK

The Federal Reserve

The Federal Reserve is the central bank of the United States. This bank is run by seven individuals known as the Board of Governors. The President appoints each Board member, but the Senate must confirm each nominee. The term limit for a Board member is 14 years, unless that Board member becomes either the Chairman or Vice Chairman.

The Chairman of the Federal Reserve is one of the country's most influential people. Because of the importance of his role as head of the Federal Reserve, his term limit is much shorter than that of a regular Board member. The President chooses one of the seven Board members to be Chairman, and the Senate must confirm him or her. If confirmed by the Senate, the Chairman serves a four-year term. The process is the same for the Vice Chairman, who also serves a four-year term.

During the late 1800s and early 1900s, a number of financial panics disrupted the national economy. Smaller banks were failing, and they were unable to get the money they needed to remain in business. Financial insecurity during these panics prompted many Americans to withdraw their money from the banks, further weakening the banking system. Customer confidence in their banks was crucial, so Congress needed to do something.

Congress created the Federal Reserve in 1913 in order "to provide the nation with a safer, more

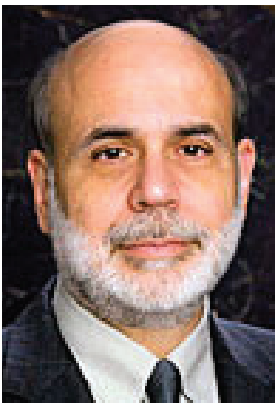


IRVING UNDERHILL / LIBRARY OF CONGRESS

Wall and Broad Streets, New York City, 1929

flexible, and more stable monetary and financial system." The Federal Reserve's primary duty is to oversee the nation's monetary policy and credit in order to maximize employment, maintain stable prices, and ensure that long-term interest rates are moderate.

Now, the Federal Reserve is charged with ensuring that prices in the American market remain stable and that interest rates match the current financial conditions. When the economy is slow and people are not buying as much, the Federal Reserve may lower interest rates to encourage people to buy. Once the economy improves, they might raise interest rates to keep the economy stable.



FACE OF THE FEDERAL RESERVE

Dr. Ben S. Bernanke began his second term as Chairman of the Board of Governors of the Federal Reserve System on February 1, 2010. He is an appointee to get to know since his term as chairman doesn't end until January 31, 2014, and he is a board member

until January 31, 2020. A South Carolinian, Dr. Bernanke received a B.A. in economics (*summa cum laude*) from Harvard University and a Ph.D. in economics from MIT in 1979. You may study from one of his scholarly books or two textbooks or read one of his many published articles when you are in economics class.

Get Acquainted with Independent Agencies and Their Leaders

The Washington Post reporters, according to *The Post*'s ombudsman Patrick B. Pexton, "are plunging into government offices, and into government documents, nosing around, asking questions, puzzling through the maze of hallways and verbiage to make connections that explain to readers a story or an issue." Reporters assigned to the government and politics beats also introduce readers to the people who serve citizens and the workings of independent agencies.

Read and discuss these articles to get acquainted with some independent agencies.

- What is the job of the chair of an independent agency as reflected in the article?
- What regulatory duties are included in the agency's responsibilities?
- What professional goals do chairs of the agencies set? Why do some resign their offices?
- What role does party affiliation play in appointments to independent agencies?



FEDERAL ELECTION COMMISSION

"Leading the Federal Election Commission: An interview with Chairman Caroline Hunter"

http://articles.washingtonpost.com/2012-10-09/national/35500623_1_campaign-finance-federal-campaign-fec



FEDERAL TRADE COMMISSION

"FTC Chairman Leibowitz to announce departure"

http://www.washingtonpost.com/business/technology/ftc-chairman-jon-leibowitz-to-announce-departure-plans-friday/2013/01/31/fb4044f2-6be2-11e2-bd36-c0fe61a205f6_story.html



THE FEDERAL RESERVE

"Federal Reserve calls pause in growth temporary, stands by steps to try to reduce unemployment"

http://www.washingtonpost.com/business/federal-reserve-cites-temporary-pause-in-growth-stands-by-steps-to-try-to-reduce-unemployment/2013/01/30/edd38936-6b11-11e2-9a0b-db931670f35d_story.html?wp_login_redirect=0



SECURITIES AND EXCHANGE COMMISSION

"Obama nominates Mary Jo White as SEC chair"

http://www.washingtonpost.com/business/economy/obama-to-nominate-mary-jo-white-as-sec-chair/2013/01/24/02dc496c-662b-11e2-93e1-475791032daf_story.html



ENVIRONMENTAL PROTECTION AGENCY

"EPA head Lisa P. Jackson to resign post"

http://articles.washingtonpost.com/2012-12-27/national/36015378_1_pollution-from-power-plants-epa-head-gina-mccarthy



Know Who Does What

A reporter, whether writing a news article or feature story, needs to have accurate and current information. Reporters are researchers. They know where to locate information quickly. In addition to reliable sources they have developed, they use .gov websites for data.

You are a reporter who has been assigned a story. Begin by visiting the website of the appropriate U.S. department to collect background information, facts and possible contacts for interviews.

- Name the Cabinet department, and the agency within it if applicable, you would research for information about the following topics.
 - Give the website URL where some specific data may be found.
 - Summarize the information on this website relating to your topic.
1. Historic preservation tax incentive
 2. Disaster Unemployment Assistance
 3. Get a job with border patrol
 4. U.S. weather reports vs. Punxsutawney Phil
 5. Charts to explain the U.S. economy and crisis response
 6. U.S. policy concerning Africa
 7. Proposed “Smart Snacks in School” standards
 8. National Science Bowl
 9. Development of cybersecurity in any theater of engagement
 10. Housing discrimination based on familial status or disability

Now that you know more about your topic, what is the news? What angle might you take in your article? How might you localize the story?