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TESTIMONY OF WILLIAM G. WHITTAKER
SPECIALIST IN LABOR ECONOMICS, ECONOMICS DIVISION
CONGRESSIONAL RESEARCH SERVICE
ON THE EVOLUTION OF THE U.S. DEPARTMENT OF LABOR
BEFORE THE HOUSE COMMITTEE ON
ECONOMIC AND EDUCATIONAL OPPORTUNITIES
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Mr. Chairman and Members of the Committee.

I appreciate the opportunity to appear before the Committee this afternoon to discuss the evolution of the U.S. Department of Labor. The history of the Department is complex and, to do justice to those who have shaped it through the years would be a rather massive undertaking. Therefore, my comments should not be construed as a history of the Department, *per se*, but rather as a brief sketch of the manner in which the agency has evolved through the past century.

ESTABLISHING A DEPARTMENT OF LABOR

"For three-quarters of a century," observed Labor Secretary Ann McLaughlin on the occasion of the 75th anniversary of the Department of Labor (1988), "protecting and advancing the interests of working people and their families has been the special province of the United States Department of Labor." Although there have been changes in our economic institutions through the years, she noted, the Department's purpose "remains the same: to assure that working people share fully in the bounty of this great land."[1]

A VOICE FOR WORKING PEOPLE IN GOVERNMENT

In the years following the American Civil War, workers tended to grow increasingly restive. There were several marginally successful efforts to organize trade unions -- most of which were short-lived. There developed a general sense that workers, as a group, were not involved in public policy decisions that affected their lives and the manner in which they earned their living. Further, there seems to have been a broadly shared belief that there was no government agency which functioned mainly for the benefit of workers. As a result, from workers and reformers, there arose a general demand for creation of a "department of labor."[2]

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[1] *U.S. Department of Labor: The First Seventy-Five Years, 1913-1988.* Washington, U.S. Department of Labor (undated, but ca. 1988). p. 1-2. Cited hereafter as *The First Seventy-Five Years.*

[2] Lombardi, John. *Labor's Voice in the Cabinet: A History of the Department of Labor from its Origin to 1921.* New York, Columbia University Press, 1942.

In 1869, the State of Massachusetts created a bureau of labor statistics. After some preliminary efforts, the agency was entrusted to an attorney, Carroll D. Wright, and embarked upon "wide-ranging investigations that laid the foundations for the bureau's reputation for objectivity." By 1883, twelve other States had followed Massachusetts' lead and had established such statistical agencies.[3]

UNITED STATES BUREAU OF LABOR (1884-1888)

In 1884, Congress passed legislation creating a U.S. Bureau of Labor, a technical agency intended to provide objective data. It was to be headed by a Commissioner of Labor who would serve for a 4-year term. The Bureau was located within the Department of the Interior and the Commissioner reported to the Secretary of the Interior. As Commissioner, President Chester Arthur chose Carroll Wright.

Wright had decided views about the proper role of statistical agencies within the government. In his first annual report, Commissioner Wright noted:

> A bureau of labor statistics cannot solve social or industrial problems, nor can it bring direct returns in a material way to the citizens of a country, but its work must be classed among educational efforts, and by judicious investigations and the fearless publication of results thereof, it may and should enable the people to more clearly and more fully comprehend many of the problems which now vex them.[4]

Historian John Lombardi suggests that Wright, "consciously or unconsciously," here established a clear line of distinction between the Bureau of Labor (later, the Bureau of Labor Statistics) and the Department of Labor. "The one was a purely fact-finding agency; the other was to be a policy forming and directing agency. Though the department eventually absorbed the bureau," he pointed out, "the functions of the bureau have remained substantially as Wright contended they should be."[5]

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p. 21-22.

[3] Grossman, Jonathan. *The Department of Labor*. New York, Praeger Publishers, 1973. p. 3-5. This testimony is deeply indebted to the work of Dr. Grossman who, as staff historian at the Department of Labor, has written extensively on the work of the Department.

[4] Quoted in Lombardi, *op. cit.*, p. 39.

[5] Lombardi, *op. cit.*, p. 39-40.

THE FIRST DEPARTMENT OF LABOR (1888-1903)

In 1888, the Bureau of Labor was converted into a Department of Labor -- but without Cabinet status.[6] The prestige of the new Department, however, grew and it gained a larger staff. In 1895, Wright, who remained as Commissioner, established the *Bulletin of Labor* (now, the *Monthly Labor Review*). Although a technical expert, he consulted on labor policy as various Presidents dealt with the strikes and other labor-related disturbances of the era.

THE DEPARTMENT OF COMMERCE AND LABOR (1903-1913)

During the 1890s, there had been numerous congressional initiatives for the creation of a department of commerce within which the Department of Labor might be incorporated: a position approved by President Theodore Roosevelt and by industry.

> A Democratic minority fought the bill stubbornly. They claimed that the independent Department of Labor would be submerged; that labor organizations opposed the bill; and that the distrust between labor and business would destroy the usefulness of the Department.[7]

Congress accommodated labor by changing the name of the new agency to the "Department of Commerce and Labor." The necessary legislation was adopted and signed by President Roosevelt in February 1903. Wright resigned and Roosevelt appointed his private secretary, George B. Cortelyou as the Department's first secretary.[8]

The attempt to combine the two agencies, however logical in theory, seems not to have worked out in practice. While President Roosevelt professed not to believe that the interests of labor and capital were in conflict, both labor and capital acted upon a different principle. Ultimately, "Roosevelt's middle of the road policy pleased neither group. He was continually apologizing for his action or defending himself against charges of overfriendliness to one or the other group."[9]

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[6] Grossman, *The Department of Labor*, p. 7, explains: "One rationalization for scuttling Cabinet representation for the new department was that Cabinet appointments are partisan, whereas the Department's main function was development of objective facts."

[7] Grossman, Jonathan. The origin of the U.S. Department of Labor. *Monthly Labor Review*, March 1973. p. 5.

[8] During its existence, from 1903 to 1913, the new Department of Commerce and Labor would have four secretaries: Cortelyou (1903-04), Victor Metcalf (1904-06), Oscar Straus (1906-09), and Charles Nagel (1909-1913).

[9] Lombardi, *op. cit.*, p. 59.

In 1912, after the Democrats (who had endorsed the proposal for an independent Department of Labor) gained control of the House, legislation to establish a separate Department of Labor was passed in the House. Success in the Senate appeared less certain until, in February 1913, Senator William Borah (R-Ida.) reported the bill to the floor. It was adopted without recorded vote and signed by President William H. Taft on March 4, 1913, his last day in office.

DEVELOPMENT OF THE INDEPENDENT DEPARTMENT OF LABOR

Under Public Law 62-426, an independent Department of Labor with full Cabinet status had been created. How the new agency would develop, what form it would take and what duties it would ultimately assume remained to be decided.

The history of the Department might be divided into two general phases: an early period during which the administrative structure of the agency would be developed and its general philosophy established (roughly, 1913-1953); and, later, a more stable time in which the mature agency would refine the manner in which it might serve the public -- the period since 1953.

FIXING A DEPARTMENTAL STRUCTURE AND FOCUS (1913-1953)

Several elements would influence the manner in which the new Department of Labor developed. **First**, there was the role of Congress: the formal assignment of program responsibility and the appropriation of funds with which to work. **Second**, there was the character, background, and interests of the various Secretaries of Labor -- and that of the Presidents under whom each served. **Third**, there was the broader conditions or context within which government itself would function: e.g., the general state of the economy, international conflict and cooperation, the globalization of trade and production.

William B. Wilson (1913-1921)

Born in Scotland, Secretary Wilson had worked in the coal mines from the age of nine. At fourteen, he was elected secretary of his local union, gradually working his way up through the ranks to become International Secretary-Treasurer of the United Mine Workers of America in 1900. In 1906, he was elected to Congress and became chairman of the Committee on Labor which reported the Department of Labor bill. Since he was not reelected in 1912, he was available to head the new Department.

The Department of Labor (DOL) inherited several agencies, among them: the Bureau of Immigration, the Bureau of Naturalization, the Children's Bureau (recently created), and the Bureau of Labor (now renamed the Bureau of Labor

Statistics).[10] Creation of the agency occurred too late in the legislative year to allow for an appropriation which left DOL dependent in some measure upon the charity of the now separate Department of Commerce. When, during the next fiscal year, appropriations were forthcoming, "eighty per cent went to the Bureau of Immigration."[11]

"The purpose of the Department of Labor," as established in 1913, "shall be to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment."[12] Secretary Wilson noted that "[t]here is of course no authority in that declaration to foster, promote, or develop for wage earners any special privileges" but he conceded that "the inference is irresistible that Congress did intend to conserve their just interests by means of an executive department especially devoted to their welfare." The Department, he affirmed, was to serve the interests of all workers, union and non-union alike.

> Inasmuch, however, as it is ordinarily only through organization that the many in any class or of any interest can become articulate with reference to their common needs and aspirations, the Department of Labor is usually under a necessity of turning to the labor organizations that exist and such as may come into existence for definite and trustworthy advice on the sentiments of the wage-earning classes regarding their common welfare.

While the Department "must invite the confidence and encourage the cooperation of responsible labor organizations," he concluded, ". . . this attitude must not be exclusive.[13]

Secretary Wilson was immediately confronted with a series of challenges. **First**. There was the obvious task of organizing a new Federal department: no easy assignment even for an experienced administrator and requiring diplomacy when moving between his colleagues in the trade union movement and his superiors in the Woodrow Wilson Administration. **Second**. He was almost at

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[10] The Bureau of Labor Statistics (BLS), though within the Department of Labor, has largely maintained its status as a non-political technical agency. See: Goldberg, Joseph P., and William T. Moye. *The First Hundred Years of the Bureau of Labor Statistics*. Washington, U.S. Govt. Print. Off., September 1985. 321 p.

[11] Lombardi, *op. cit.*, p. 70. Initially, staffing reflected the pre-1913 priorities: Bureau of Immigration, 1,700; Bureau of Naturalization, 130; Children's Bureau, 15; and Bureau of Labor Statistics, 100. Grossman, *The Department of Labor*, p. 12.

[12] Public Law 62-426.

[13] U.S. Department of Labor. *First Annual Report of the Secretary of Labor, 1913*. Washington, U.S. Govt. Print. Office, 1914, p. 5-6.

once confronted with a series of major labor-management disputes: continuing problems in the coal regions of West Virginia, the Ludlow Massacre in Colorado (1913), the copper miners' strike in Michigan (1913-1914), the Clifton-Morenci-Metcalf copper miners' strike in Arizona (1915-1916), etc. **Third**. In 1914, war broke out in Europe and, for the next several years, the Secretary was forced to deal with war-related issues: war production, emergency manpower, maintaining labor standards during such a crisis, post-war reconversion. Nor did the war bring industrial peace at home. In 1916 and 1917, trouble broke out again in, among other places, the copper mines of Arizona, leading to the Bisbee "deportation" of 1917. **Fourth**. There were continuing immigration problems: during the war, for the purpose of securing sufficient labor; after the war, closing the door to displaced persons, seeking to relocate in the United States. **Fifth**. During the war, conflicts had developed with respect to war-resisters, leading to prosecutions and, in some cases, after the conflict, to deportations -- issues that involved the Department because of its responsibilities for immigration and naturalization. For several years, the "Red Scare" was a major national issue.[14] **Sixth**. Late in the war and thereafter, the Department found itself involved in some measure of foreign relations: creation of the International Labor Organization (ILO), among other international issues.

After the war, the defense-related agencies began to disappear and, gradually, the Department returned to what institutionally remained its primary responsibilities: immigration and labor statistics.

James J. Davis (1921-1930) and William N. Doak (1930-1933)

Born in Wales, James Davis grew up in Pennsylvania and Indiana. He worked in the steel mills, went into Republican politics and became an organizer for the Loyal Order of the Moose. Departmental historian Jonathan Grossman suggests that President Harding picked Davis to be Secretary of Labor because he "had sympathy for both the capitalist and the workingman."[15]

Although the "Red Scare" had somewhat abated when Davis took office, immigration remained the central responsibility of the Department and Davis's "most important problem." In 1921, Congress enacted new restrictions upon immigration, imposing still further restraints in 1924 and 1929 -- actions that the Secretary applauded.[16] The Department continued to confront such issues

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[14] See: Murray, Robert K. *Red Scare: A Study of National Hysteria, 1919-1920*. Minneapolis, University of Minnesota Press, 1955. 337 p.; and Preston, William. *Aliens and Dissenters: Federal Suppression of Radicals, 1903-1933*. Cambridge, Harvard University Press, 1963. 352 p.

[15] Grossman, *The Department of Labor*, p. 28.

[16] Grossman, *The Department of Labor*, p. 23-25. Grossman notes that "[a]bout 75 per cent of the Labor Department's employees dealt with immigration and naturalization" when Davis took office.

as long hours of work in the steel industry and the more routine workplace concerns.[17]

Like Wilson and Davis, William Doak was "mostly self-educated." He rose through the ranks to become legislative representative of the Brotherhood of Railroad Trainmen. He was an active Republican and, when Davis stepped aside to run for the Senate in Pennsylvania, President Hoover appointed Doak Secretary of Labor "over the protests of the American Federation of Labor."[18]

Doak seems to have followed, quietly, in his predecessor's footsteps. "In the midst of the growing Depression," the Department notes in its retrospective, *The First Seventy-Five Years*, "immigration duties still used the lion's share of the Department's resources."[19] With about 12 million people unemployed, Doak seems to have struggled with job creation initiatives -- though not with great success. During his incumbency, the Davis-Bacon Act (1931) was adopted, requiring payment of not less than locally prevailing wages on Federal contract construction -- in part, an effort to slow the downward spiral of wages.[20]

Frances Perkins (1933-1945)

In November 1932, when Franklin Roosevelt was elected President, "it seemed impossible that economic conditions could get worse," some have suggested. "But the impossible happened." Perhaps 25 to 35 percent of the workforce was unemployed -- with a good deal of "hidden unemployment" in addition.[21]

The Perkins era at DOL was in sharp contrast to the first twenty years of the Department's history. And, Perkins was very different from her predecessors. She was of a genteel background, educated, with long experience in dealing with labor-related issues. Further, she had been involved in labor politics and public administration in New York State prior to her appointment.

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[17] Generally, for the period, see: Zieger, Robert H. *Republicans and Labor, 1919-1929*. Lexington, University of Kentucky Press, 1969. 303 p.

[18] Grossman, *The Department of Labor*, p. 29. The Brotherhood of Railway Trainmen was not affiliated with the American Federation of Labor.

[19] *The First Seventy-Five Years, op cit.*, p. 12.

[20] See: U.S. Congress. Senate. Committee on Manufactures. *Wages of Laborers and Mechanics on Public Buildings*. Hearings, 71st Cong., 3d Sess., February 3, 1931. Washington, U.S. Govt. Print. Off., 1931. 25 p.; and U.S. Congress. Senate. Committee on Manufactures. *Regulation of Wages Paid to Employees by Contractors Awarded Government Building Contracts. Report to Accompany S. 5904*. Senate Report No. 1445, 71st Cong., 3d. Sess. Washington, U.S. Govt. Print. Off., 1931. 2 p.

[21] Grossman, *The Department of Labor*, p. 31.

And, perhaps most important, she enjoyed a close, confidential relationship with her boss, the President.

Wilson had created a department, welding together diverse pieces. Davis and Doak seem, more nearly, to have perpetuated what they found. Perkins inherited a department with well-established traditions; but, from her perspective, that may not have been a plus.

The Perkins administration might be divided into at least five phases. **First**. She took control of the Department and began to reshape it to meet her (and the President's) policy goals. As quickly as she could, she arranged to have DOL's immigration functions shifted to the Department of Justice. **Second**. As soon as she arrived in Washington, she found herself sorting through programs with which to alleviate unemployment and spur economic revival. **Third**. She quickly became involved with the crafting of legislation (as she had at Albany): at first with recovery efforts such as the National Industrial Recovery Act. This involvement continued, later, to include work on the Wagner Act (1935), the Walsh-Healey Public Contract Act (1936), the Fitzgerald National Apprenticeship Act (1937), and the Fair Labor Standards Act (1938), among others. **Fourth**. As the Nation moved toward war, the Department of Labor found itself again a center of production and manpower concerns -- while its chief struggled to protect labor standards.[22] At the same time, she reached out to non-traditional sources of labor, both women and minorities. "At Roosevelt's direction," Grossman notes, "she sat in on so many committee meetings that attendance at such meetings became her principal wartime job."[23] **Fifth**. As the war began to wind down, the Department began to plan for reconversion.

One might argue (but not without a likely rebuttal) that the structure, focus and philosophy of the Department was reasonably set by the time Secretary Perkins left office. Thereafter, there would be changes of emphasis, expanding and contracting appropriations, but it appears that the essential attributes of the Department were in place. Shortly after the death of President Roosevelt, Secretary Perkins retired.

Post-War Adjustment: Lewis Schwellenbach (1945-1948) and Maurice Tobin (1948-1953)

Lewis Schwellenbach, a former Senator and friend of President Truman, was a Federal judge in Washington State. According to George Martin, Perkins' biographer, Schellenbach arrived at the Department, called the staff together,

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[22] See: Flynn, George Q. *The Mess in Washington: Manpower Mobilization in World War II*. Westport, Conn., Greenwood Press, 1979.

[23] Grossman, *The Department of Labor*, p. 51-52.

and introduced himself by saying to the staff: "I don't know anything good about you."[24]

Schwellenbach's term of office was turbulent. He was faced with a post-war wave of labor-management relations turmoil which led to an anti-union backlash and enactment of the Taft-Hartley Act (1947). The Department was also viewed as being too pro-labor. At the war's conclusion, Congress began a series of budget cuts. BLS sustained a 40 percent reduction in force. Further, there were shifts of responsibility. The U.S. Employment Service which had fluctuated through the years, both in structure and in terms of siting, was transferred back to DOL from the War Manpower Commission -- as was DOL's apprentice training program. However, the Children's Bureau was transferred out of the Department of Labor and the Conciliation Service became part of the new, independent, Federal Mediation and Conciliation Service.[25]

With strikes in coal, steel, rails, etc., President Truman (1946) called in John R. Steelman, chief of the Conciliation Service, placing him directly on the White House staff. Whatever his usefulness to the President, his direct association with the President is said to have undermined Schwellenbach's authority.[26] Schwellenbach died in office on June 10, 1948.

Maurice Tobin was named to replace Schwellenbach. Still in his forties, Tobin had been mayor of Boston and governor of Massachusetts. Unlike anyone since Secretary Wilson, it appears, Tobin came to the Department with labor support. The first task confronting the new Secretary, according to Grossman, was the re-election of the President. Grossman notes: "Truman won, and Tobin, who had helped him to achieve his victory, concentrated on rebuilding the Department."[27]

In addition to his inclination to rebuilt the Department, Tobin received assistance from the Hoover Commission (the Commission on Organization of the Executive Branch of the Government) which recommended a greater use of the Department within the governmental structure. Further, the outbreak of the Korean War provided DOL with wartime responsibilities. Gradually, functions began to migrate back to the Department, the staff increased and budget cuts were restored.[28]

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[24] Martin, *Madame Secretary*, p. 462-465.

[25] *The First Seventy-Five Years*, p. 21-22.

[26] Grossman, *The Department of Labor*, p. 65.

[27] Grossman, *The Department of Labor*, p. 66-67.

[28] Grossman, *The Department of Labor*, p. 67-69; and *The First Seventy-Five Years*, p. 22.

EVOLUTION OF A MATURE AGENCY (1953-1995)

After 40 years, having passed through three wars and a depression and having been administrated by six Secretaries of differing philosophies and political persuasions, the Department would seem to have reached maturity. Through the next several decades, policy changes would be largely incremental. While the agency would take on new responsibilities, they would be essentially refinements and extensions of past duties and concerns.

The Interlude of Martin Durkin (1953)

Martin Durkin was a Democrat and president of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry. His appointment as Secretary of Labor in 1953 was viewed by some as in keeping with the off-stated wish that the Department be led by someone from the trade union movement. Secretary Durkin took up the issue of Taft-Hartley reform and appears to have believed that President Dwight Eisenhower was willing to proceed with reform. When the matter was dropped from the Presidential agenda, Durkin resigned.[29]

The Era of Labor and Industrial Relations Professionals (1953-1981)

With the appointment of James P. Mitchell as Labor Secretary, a new era in the evolution of the Department appears to have been set in motion. For nearly three decades (with the exception of the administration of Peter Brennan in the 1970s), the Department would be guided by professionals trained in industrial relations, personnel, labor economics and/or labor law.

James Mitchell (1953-1961) came from a background in industrial relations, both in industry and with the military during World War II. AFL President George Meany, who knew him "casually" through the War Labor Board, was said to have "respected him for being both knowledgeable and sympathetic about organized labor's problems."[30] Grossman suggests that one of Mitchell's "great successes" was that he became "the President's man on labor affairs" and "stopped the 'end runs' by which other people bypassed the Secretary of Labor and spoke directly to the President."[31]

But, much of what concerned the Department (and labor at large) during this period took place beyond the immediate reach of the Secretary. In 1955, the AFL and the Congress of Industrial Organizations joined forces to become the AFL-CIO. Starting early in the 1950s, the Senate Permanent Subcommittee on Investigations (the McClellan Committee) began a review of labor-management practices which would lead to a long dispute between the International

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[29] *The First Seventy-Five Years, op. cit*, p. 25.

[30] Goulden, Joseph C. *Meany*. New York, Atheneum, 1972. p. 220.

[31] Grossman, *The Department of Labor*, p. 72.

Brotherhood of Teamsters and the Federal Government and to enactment of new legislative measures to be administered by the Department. These included: the Welfare and Pension Plans Disclosure Act (1958) and the Labor-Management Reporting and Disclosure Act (the Landrum-Griffin Act of 1959).

Arthur Goldberg (1961-1962) came to the Department with extensive experience in labor law. He was intimately connected with the trade union movement and had helped to shape the agreement that united the AFL with the CIO. As Secretary, he worked in the area of labor-management relations and was concerned with civil rights. But, he was highly visible, speaking out on a variety of issues beyond the immediate confines of the Department and, in less than two years, was appointed to the Supreme Court.

Goldberg was replaced by another labor lawyer, **Willard Wirtz (1962-1969)**. Secretary Wirtz brought to the Department many of the skills of Mitchell and Goldberg. He "had served as a public member of the War Labor Board during World War II and as chairman of the National Wage Stabilization Board after the War."[32] He focused attention upon manpower training, the labor aspects of the "war on poverty" and the expansion of civil rights. During his administration, the Department was assigned a number of new responsibilities with passage of the Equal Pay Act (1963), the Farm Labor Contractor Registration Act (1965), the Service Contract Act (1965), the Age Discrimination in Employment Act (1967), and consolidation of several statutes into the Contract Work Hours and Safety Standards Act (1969).

In 1969, President Richard Nixon appointed **George P. Shultz (1969-1970)**, dean of the Graduate School of Business at the University of Chicago, as Labor Secretary. Shultz appears to have been highly regarded both by organized labor and by management and "enjoyed exceptionally good working relations with President Nixon," Grossman notes.[33] His tenure in the Department, however, was short. In mid-1970, he became director of the Office of Management and Budget and was replaced by **James D. Hodgson (1970-1973)**. Hodgson had served as vice president for industrial relations of the Lockheed Aircraft Corporation, but had no public agency experience. In the early 1970s, President Nixon took up the issue of wage-price controls and, in 1971, briefly suspended the Davis-Bacon Act.[34] Also during the Hodgson administration, Congress passed the Williams-Steiger Occupational Safety and Health Act (1970) which assigned significant new responsibilities to the Department.

The pattern of appointing technical professions to head the Department of Labor was broken, briefly, in 1973 when President Nixon named **Peter J. Brennan (1973-1975)** as Labor Secretary. Brennan was an old friend of

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[32] Grossman, *The Department of Labor*, p. 78-79.

[33] Grossman, *The Department of Labor*, p. 83.

[34] Goulden, *Meany*, p. 427-429.

Meany's from the New York building trades and had received public notoriety with a New York City demonstration in behalf of the President's Vietnam War policy.[35] During the Brennan administration, Congress adopted the Employee Retirement Income Security Act (ERISA) of 1974, requiring the Department to monitor "more than 1 million pension plans."[36]

In 1975, President Gerald Ford appointed a labor professional as Secretary, naming Harvard economist **John Dunlop (1975-1976)** to head the Department. During the 1950s, disputes had arisen concerning the conditions under which unions might picket a job site and, indeed, whether they might picket the entire *common site* of a group of employers who might be only marginally involved in a dispute with the picketing union -- if involved at all. In 1975, during the 94th Congress, *common situs* picketing legislation had been carefully, painfully, negotiated within the Congress and it was believed that a commitment had been secured from President Ford that he would sign the measure if it reached his desk. In December 1975, the House and Senate agreed to the conference report on the legislation and the measure was dispatched to the President. On Jan. 2, 1976, President Ford vetoed the *common situs* picketing legislation and, as a result, on Jan. 13, 1976, Labor Secretary Dunlop announced his resignation.[37]

President Ford turned to **W. J. Usery, Jr. (1976-1977)**, then serving as director of the independent Federal Mediation and Conciliation Service. Usery had served as Assistant Secretary of Labor for Labor-Management relations under Secretaries Shultz and Hodgson; and, given his knowledge of the Department, stepped readily into the role of Secretary.

In 1977, President Jimmy Carter turned to University of Texas economist **Ray Marshall (1977-1981)** as his Labor Secretary. Marshall was within the tradition begun with James Mitchell a quarter century earlier. He had written extensively on manpower issues, had a strong interest in minority employment, and was a thoroughly acceptable appointment from the perspective of organized labor. Under Marshall, public service employment expanded significantly and the Federal role in job creation and training came, once again, under review. To strengthen equal employment opportunity, "contract compliance functions previously carried out by 11 separate Government agencies" were consolidated under the Department's Office of Federal Contract Compliance Programs (OFCCP). In addition, the Department began a review of the various Federal contract labor standards statutes (the Davis-Bacon Act, the Service Contract Act, etc.); but, before new regulations were in place, there was a change of presidential administrations.

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[35] Goulden, *Meany*, p. 414.

[36] *The First Seventy-Five Years*, p. 41.

[37] Bureau of National Affairs, *Daily Labor Report*, Jan. 14, 1976. p. A12.

A Period of Political/Non-Technical Administration (1981-1993)

With the election of Ronald Reagan, the Department of Labor and the programs that it administered were subjected to a fresh look. Old assumptions, many dating by to the Perkins era and the New Deal, came into question. **Raymond J. Donovan (1981-1985)** was named Secretary of Labor. Donovan, who had knowledge of labor-management relations in the building and construction trades having been a construction company executive, moved quickly into the area of labor standards. He took up proposals for change in the regulation of industrial homework, modification of child labor laws, and the crafting of new regulations governing administration of Federal contract labor standards. In each instance, the proposals provoked significant opposition. New standards concerning industrial homework and regulation of the Davis-Bacon Act were ultimately implemented -- though not in the form originally proposed by the Department. The period saw a general review of manpower programs and, in 1982, adoption of the Job Training Partnership Act. In early 1983, the Farm Labor Contractor Registration Act was repealed and replaced by the Migrant and Seasonal Agricultural Workers' Protection Act (MSPA). In 1985, Donovan retired to the private sector.

William F. Brock (1985-1987) had been a Member of Congress, chair of the Republican National Committee, and U.S. Trade Representative. Among Brock's concerns while he was Secretary of Labor were manpower and training issues. **Ann D. McLaughlin (1987-1989)** had served as Under Secretary of the Interior and Assistant Secretary for Public Affairs in the Treasury Department and possessed general administrative experience. Like Brock, Secretary McLaughlin stressed manpower issues, reviewing the Department's program of apprenticeship training. **Elizabeth Dole (1989-1990)** came to the Department with prior Cabinet experience: i.e., in Transportation. In a brief tenure, she found herself confronted with a renewed interest in child labor issues. She also promoted interest in the concept of a "glass ceiling" that keeps women and minorities from advancing into senior management positions. In 1990, she retired to head the American Red Cross, and was replaced by former Illinois Representative **Lynn Martin (1991-1993)** who continued in office for the remainder of the Administration of President George Bush. During the period, the President temporarily suspended the Davis-Bacon Act for parts of three States afflicted with natural disasters.

With the election of William Clinton in 1992, the Department is again being administered by a labor policy professional. **Robert Reich (1993-____)** is a former Harvard University professor who has written extensively concerning employment issues. Like several of his immediate predecessors, he has expressed concern with training questions. Early in the Clinton Administration, Congress adopted the Family and Medical Leave Act, placing new responsibilities on the Department. In addition, DOL has assumed duties flowing from adjustment to various trade agreements to which the United States has become a party.

TABLE 1. Labor Secretaries and the Presidents They Served

Secretary of Labor	Period of Service	President
William B. Wilson	Mar. 4 1913 - Mar. 4, 1921	Woodrow Wilson
James J. Davis	Mar. 5, 1921 - Nov. 30, 1930	Warren G. Harding Calvin Coolidge Herbert Hoover
William N. Doak	Dec. 9, 1930 - Mar. 4, 1933	Herbert Hoover
Frances Perkins	Mar. 4, 1933 - June 30, 1945	Franklin D. Roosevelt Harry S Truman
Lewis B. Schwellenbach	July 1, 1945 - June 10, 1948 (Died in Office)	Harry S Truman
Maurice J. Tobin	Aug. 13, 1948 - Jan 20, 1953	Harry S Truman
Martin P. Durkin	Jan. 21, 1953 - Sept. 10, 1953	Dwight D. Eisenhower
James P. Mitchell	Oct. 9, 1953 - Jan. 20, 1961	Dwight D. Eisenhower
Arthur J. Goldberg	Jan. 21, 1961 - Sept. 20, 1962	John F. Kennedy
W. Willard Wirtz	Sept. 25, 1962 - Jan. 20, 1969	John F. Kennedy
George P. Shultz	Jan. 22, 1969 - July 1, 1970	Richard M. Nixon
James D. Hodgson	July 2, 1970 - Feb. 1, 1973	Richard M. Nixon
Peter J. Brennan	Feb. 2, 1973 - Mar. 15, 1975	Richard M. Nixon
John T. Dunlop	Mar. 18, 1975 - Jan. 31, 1976	Gerald R. Ford
W.J. Usery, Jr.	Feb. 10, 1976 - Jan. 20, 1977	Gerald R. Ford
Ray Marshall	Jan. 27, 1977 - Jan. 20, 1981	Jimmy Carter
Raymond J. Donovan	Feb. 4, 1981 - Mar. 15, 1985	Ronald Reagan
William F. Brock	Apr. 29, 1985 - Oct. 31, 1987	Ronald Reagan
Ann McLaughlin	Dec. 17, 1987 - Jan. 20, 1989	Ronald Reagan
Elizabeth Dole	Jan. 30, 1989 - Nov. 23, 1990	George Bush
Lynn Martin	Feb. 22, 1991 - Jan. 20, 1993	George Bush
Robert Reich	Jan. 21, 1993 -	William Clinton

Source: U.S. Department of Labor. *Monthly Labor Review*. February 1988. p. 12; Annual Reports of the U.S. Department of Labor. Dates may vary slightly as to confirmation, swearing-in, or assumption of duties.

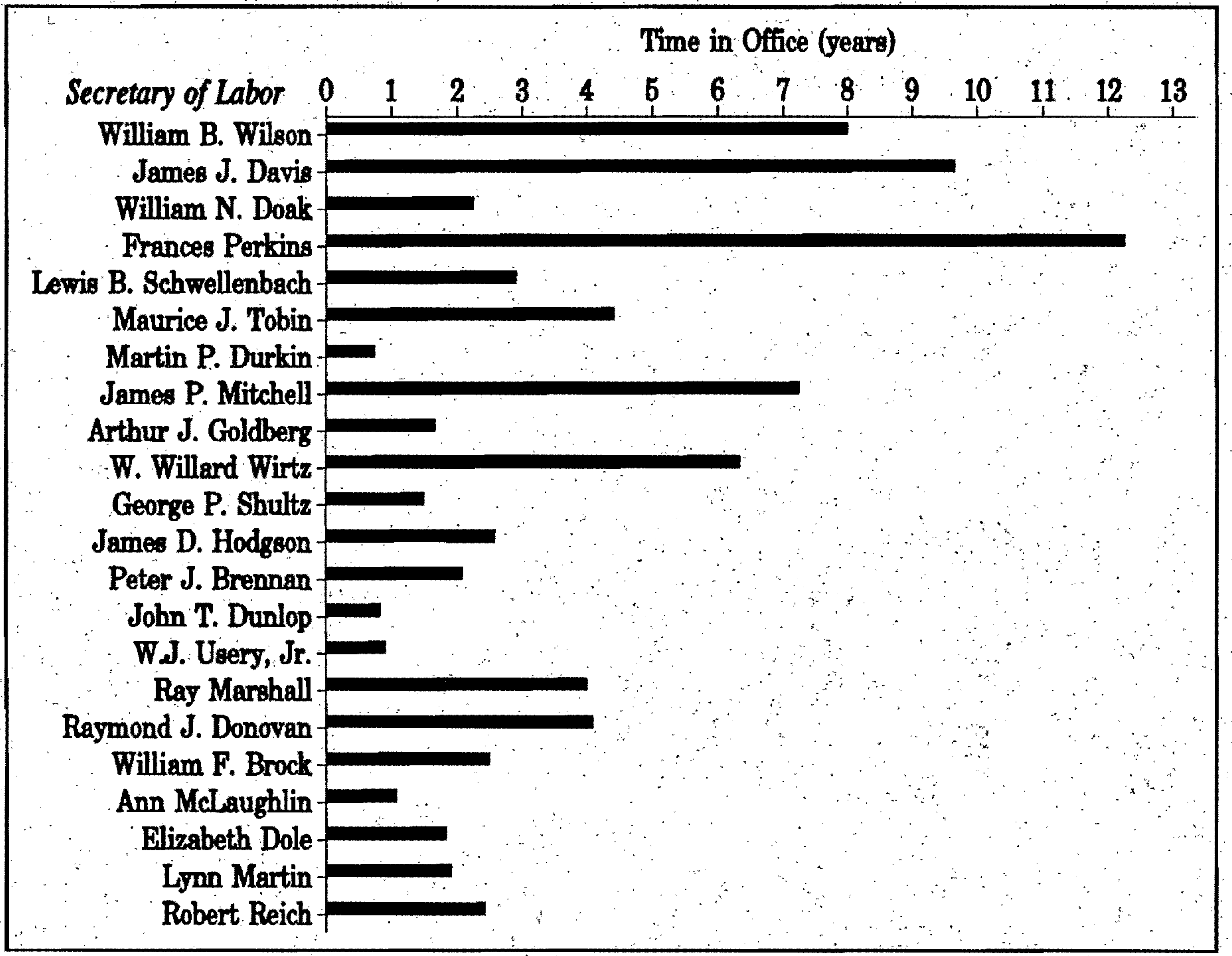
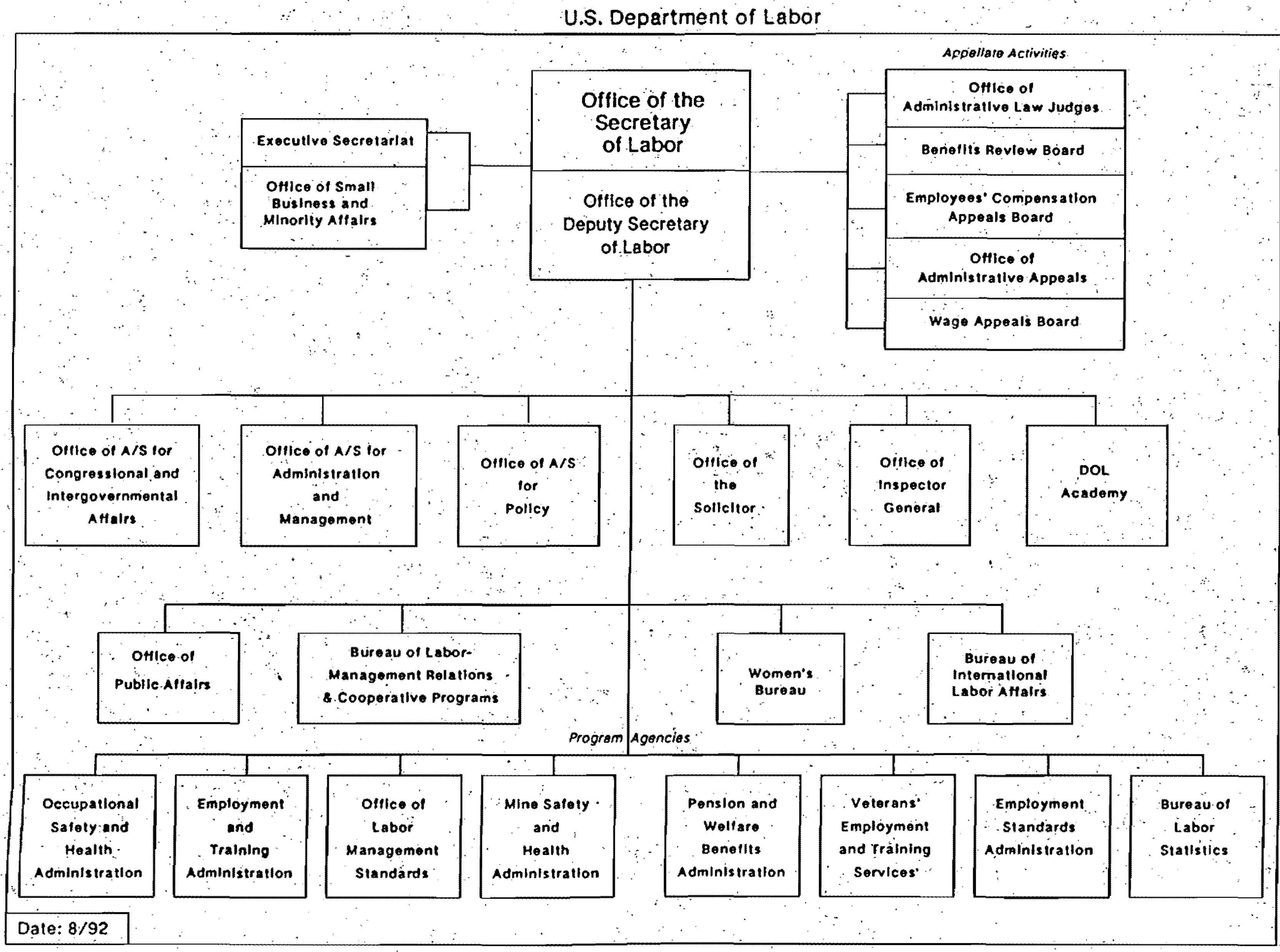


FIGURE 2. Labor Secretaries and Their Periods of Service



Source: U.S. Department of Labor. Washington, 1992.

JOE SCARBOROUGH
1ST DISTRICT, FLORIDA

NATIONAL SECURITY
COMMITTEE

GOVERNMENT REFORM AND
OVERSIGHT COMMITTEE

Congress of the United States
House of Representatives
Washington, DC 20515–0901

WASHINGTON OFFICE:
1523 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225–4136

DISTRICT OFFICES:
3400 BAYOU BOULEVARD
SUITE 37
PENSACOLA, FL 32503
(904) 479-1183

348 S.W. MIRACLE STRIP PARKWAY
UNIT 21
FORT WALTON BEACH, FL 32548
(904) 664-1266

FOR IMMEDIATE RELEASE
Wednesday, May 16, 1995

Contact: James E. Geoffrey, II
(202)22~~4~~5-4136

SCARBOROUGH ANNOUNCES LEGISLATION TO REFORM EDUCATION, ABOLISH FEDERAL DEPARTMENT

Washington - Representative Joe Scarborough (R-FL,1) revealed today legislation crafted by a G.O.P. Task Force of which he is chairman, to reform the nation's education system and to abolish the Federal Department of Education.

"The legislation we are proposing today was put together after months of hard work by the Members of the Task Force. What we are undertaking is a vital step in preparing our nation's educational system to meet the needs of the 21st century workplace," said Scarborough.

The Task Force legislation abolishes the Department within one year, block granting most programs and giving the money to the states, but leaving certain functions in place to be reauthorized, if necessary, by the Congress after a four year period. The legislation calls for an appropriate federal tax cut to replace the programs that have been eliminated after the block grants are discontinued.

"Our goal is to reform the nation's educational system. This is not a budget cutting exercise, it is a serious effort to give back to teachers, parents and communities the dominant role in education that they have had historically. The critical decisions about our children's education should be made in the classroom, not behind the closed doors of the bureaucracy in Washington," added Scarborough.

Scarborough pointed out that the federal Department of Education's budget has risen from $14 billion in 1979 to $33 billion this year, while over that same period, test scores have declined and the nation's literacy rate has stagnated.

"I have two small children who I want, as any responsible parent would want, to give them the best education possible. Can we really look at the increase in federal spending on education, and then look at the problems in our schools and say that the system is working? The great federal experiment in education is over. It failed. It is time to move on," said Scarborough.

Scarborough added that he hoped to have hearings on the bill by the late winter at the earliest and that he expected to have the bill on the House floor by next spring.

####

Citizens for a Sound Economy Foundation

CSEFBudget Fax

May 24, 1995 (202) 783-3870

MYTH: The Department of Education was created out of an altruistic impluse to improve America's education system.

FACT:

> **Let's be honest. The creation of the Department of Education was a political payoff.**
>
> **– Bill Bennett, former Secretary of Education**

> **This proposal [to create a Department of Education] is a backroom deal, born out of squalid politics. Everything we had thought we would not see happening to education is happening here.**
>
> **– Senator Daniel Patrick Moynihan**

THERE'S A CONSENSUS BREWING.

SEND EDUCATION HOME.

For additional information on the need to cut federal spending, contact CSE Foundation Economist Bryan Riley at (202) 783-3870.

JON CHRISTENSEN
2D DISTRICT, NEBRASKA

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SOCIAL SECURITY

REPUBLICAN TASK FORCE
ON LEGAL REFORM

CAUCUSES:
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FIRE FIGHTERS
ISRAEL
BEEF

Congress of the United States
House of Representatives
Washington, DC 20515–2702

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MARK FAHLESON
LEGISLATIVE DIRECTOR

LYNN SHORT
EXECUTIVE ASSISTANT

WASHINGTON, D.C.
THURSDAY, MAY 24, 1995

CONTACT: CHRIS HULL
(202) 225-4155

PRESS RELEASE

CHRISTENSEN JOINS FRESHMEN IN UNVEILING LEGISLATION ELIMINATING EDUCATION DEPARTMENT

Rep. Jon Christensen (R-Neb.) today joined other freshman members to unveil legislation eliminating the federal Department of Education. Dubbed the "Back to Basics Act" by its sponsors, the bill will be introduced in the House of Representatives today.

Rep. Christensen remarked, "The federal government contributes less than a tenth of the $493.2 billion spent each year on education in this country -- and yet the strings on that money yank our local school districts around like puppets. Our focus in this plan has been to localize, privatize, consolidate, and, where possible, eliminate programs in the Department of Education."

He continued, "We did not 'cut education' as many Washington liberals are charging. The main motivation behind this legislation is to *improve* education. I believe education works best when it is run as close as possible to the kids. The parents and teachers and students themselves have the most to offer our schools. The bureaucracies in Washington have the least."

The Department of Education was created by President Jimmy Carter in 1979. Its budget increased from $14 billion in 1980 to $33 billion in 1995. It employs 5100 people and administers 240 programs. Yet in 1978, the year before the department was created, the dropout rate was 8%; by 1992 that rate had climbed to 12%. Former Secretaries of Education Bill Bennett and Lamar Alexander have both called for the elimination of the department as an unnecessary federal intrusion in local matters.

- 30 -

WASHINGTON OFFICE:
1020 LONGWORTH BUILDING
WASHINGTON, DC 20515
(202) 225–4155
FAX (202) 225–3032

PRINTED ON RECYCLED PAPER

DISTRICT OFFICE:
8712 WEST DODGE ROAD, ROOM 350
OMAHA, NE 68114
(402) 397–9944
FAX (402) 397–8787

Sam Brownback

Congress of the United States
House of Representatives
Kansas 2nd District

NEWS RELEASE
For Immediate Release
Wednesday, May 24, 1995

Contact: Jackie McClaskey
(202)225-6601

Statement of Sam Brownback (R-KS)
Returning Education Where It Belongs

Last February, our group of Freshmen and Sophomores, joined by Chairmen Kasich, Livingston, Solomon and Boehner, announced the creation of four task forces to develop legislation to eliminate four federal cabinet bureaucracies: The Departments of Commerce, Education, Energy and HUD.

At that time, our critics thought it could not be done. Today, we are proving them wrong. Our ideas have become mainstream. This is the next step in a long process. This is not about slash and burn government. It is about questioning the role of the federal government in its many far flung operations. It is much more than a fiscal matter. It is about empowering people and local government.

We have looked at each of these bureaucracies, program by program and budget line by budget line. We have asked the fundamental question: Is this program an essential and necessary function of a limited federal government? If yes, we have consolidated the program into existing agencies, but, if not, we have localized, privatized, or eliminated it.

The lack of meaningful success for these bureaucracies is a critical reason for supporting their elimination. Since the creation of the Department of Education in 1979, one would have expected improved test scores along with an improved education system. If improved educational achievement and higher test scores resulted from federal control, then billions in funding for the Department of Education would be justified. But this is not the case. Academic achievement among America's young people, as reflected in test scores and other such surveys, has stagnated or declined. America's young rank among the bottom in the industrialized world in math and science and near the bottom in English and history.

We believe that education in America is the constitutional responsibility of the states, the social responsibility of communities, and the moral responsibility of families. Our goal is to return the important education decisions to families, communities and states. We are sending education back home where it belongs.

####

U.S. HOUSE OF REPRESENTATIVES
ECONOMIC AND EDUCATIONAL OPPORTUNITIES COMMITTEE

2181 Rayburn House Office Building
Washington, D.C. 20515

NEWS RELEASE

Telephone: (202) 225-4527 *Fax: (202) 225-9569* *Internet:cjacobus@hr.house.gov*
Contact: Cheri Jacobus

GOODLING STATEMENT (5/24/95)

"I commend this group of Freshmen Members of Congress for their concerted efforts to balance the budget for the future of our children and grandchildren.

It is clear to many that the federal government has become far too intrusive in our daily lives -- including the educating of our children. We have spent decades throwing tax dollars at program after program -- and with unacceptable and insufficient results.

I support efforts to achieve significant savings by cutting waste, duplication, and in some cases the triplicative programs burdening the taxpayers, by conducting a thorough review of all agencies, departments and their programs."

###

EMPOWER AMERICA

NEWS ★ RELEASE

1776 I Street, NW, Suite 890
Washington, DC 20006
(202) 452-8200
Fax: (202) 833-0388

FOR IMMEDIATE RELEASE
CONTACT: Christian Pinkston
(202) 452-8200

EMPOWER AMERICA CO-DIRECTOR WILLIAM J. BENNETT SUPPORTS TERMINATING EDUCATION DEPARTMENT

(Washington, D.C., May 24, 1995)-- Today, William J. Bennett, Co-Director of Empower America and former Secretary of Education, reaffirmed his support for "sending education home" to states and communities. Dr. Bennett mentioned several approaches -- including legislation introduced today by House Republicans, and a bill he is supporting with Senator Coats and Lamar Alexander -- as evidence that:

"An important consensus is emerging in the House and in the Senate that the federal government has become too meddlesome and too intrusive. The November elections sent a clear and unambiguous message: the time has come for a fundamental redirection of political power. The federal government's involvement is hurting American education. Even *The Washington Post* concedes that 'the country could get along just fine, for example, without... an Education...department.'"

"Empirical evidence and the experience of educators have exploded the myth that educational excellence depends on having a federal Department of Education. Decisions on education should belong with parents, communities and states. That's where the action is. We do not need a giant federal bureaucracy. And we surely do not need a federal Department of Education."

(EA-030, Released 5/24/95)

###

STATE OF OHIO
OFFICE OF THE GOVERNOR
COLUMBUS 43266-0601

GEORGE V. VOINOVICH
GOVERNOR

May 23, 1995

The Honorable Steve Chabot
U.S. House of Representatives
1641 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Chabot:

I am writing in strong support of your efforts to eliminate the U.S. Department of Education.

As you know, I have devoted a great deal of time, effort and attention to education reform, first as a mayor and now as governor, and have been a longtime supporter of the notion that we must "send education home." In 1986 as President of the National League of Cities, I said we should "dismember the useless parts of the federal government which have been created during the past 40 years." We agree that we can no longer afford and should not permit continued federal micromanagement of education policy.

The federal share of primary and secondary education funding is minuscule, only 6 percent, in comparison to the vast contributions states and local communities make to educate our children. It is time that we put to rest the myth that a federal education department can make a significant difference in improving the nation's education system. Schools simply will not be fixed and student performance will not improve because a centralized bureaucracy in Washington enforces new laws and regulations that merely mandate actions by states and local agencies hundreds and even thousands of miles away.

Today there are hundreds of federal education programs that are highly prescriptive and heavily regulated. These programs literally are substituting Washington's judgments for those of states, communities and families. This micromanagement often imposes burdensome mandates on local communities, which can least afford the intrusion. For example, a recent Ohio study determined that a local school may have to submit as many as 170 federal reports totaling more than 700 pages during a single year, consuming vital resources without any improvement in the quality of education children receive.

Allowing states and communities to have greater control and flexibility over education dollars is a sure way to see those dollars reach the place where they are most needed --America's classrooms -- and used in the most effective way to improve our nation's education system. From a practical and budgetary viewpoint, it is sound public policy to devolve responsibility for education programs to states and local governments.

There is no more important issue to me than improving our children's education. I look forward to working with you and the Education Task Force to enact meaningful reforms that provide states and local communities with enhanced flexibility to undertake these needed improvements.

Thank you for your consideration of my concerns.

Sincerely,

George V. Voinovich

George V. Voinovich
Governor

Citizens for a Sound Economy

CSEBackgrounder

Communications Division (202) 783-3870

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CSE: CLASSROOMS UNAFFECTED BY CUTS IN ED

(Washington, DC) -- Despite statements by U.S. Department of Education supporters, reductions in the federal agency's budget will have no impact on the quality of instruction American students receive in the classroom, according to a soon-to-be-released policy study by Citizens for a Sound Economy (CSE).

There is no evidence the federal Department of Education has improved classroom education in America, according to the paper. "In issuing regulations in its attempt to micromanage our nation's education system, the department soaks up badly needed funds which could otherwise be used by local school boards, teachers and parents to strive for academic excellence. By its own admission, the Department of Education has failed in its efforts to improve education in America," CSE's report states.

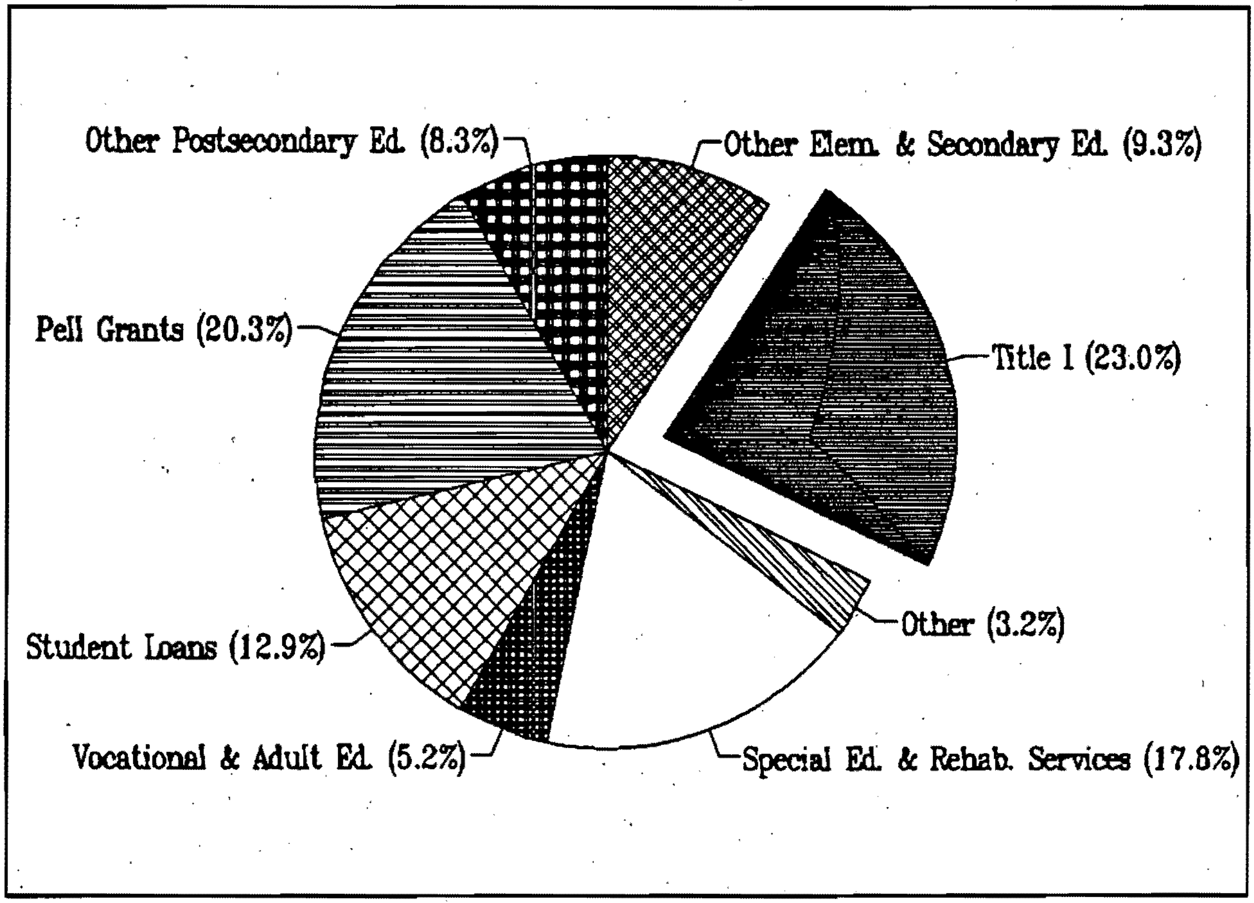
Among the largest areas of spending by the department has been a program known as "Title I" (also sometimes called Chapter 1) of the Elementary and Secondary Education Act of 1965. This program has been aimed at poverty-stricken schools by providing these students with additional teachers and instruction, all funded with federal dollars. Nearly every school district in the nation receives federal funding under Title I.

Not only does every state in the Union already provide identical services for the disadvantaged, but the Department of Education has itself admitted that Title I is a failure. Yet it continues to soak up $7 billion annually and accounts for 23 percent of the Department's entire budget. The federal government continues to throw billions of dollars into this program, rather than free up these funds to allow states, localities, teachers and parents to find a better way to educate America's children.

In its 1993 request for reauthorization of ESEA, the Department published a report highly

- more -

Department of Education Expenditures
President Clinton's Proposed Budget, Fiscal Year 1996



Source: Office of Management and Budget

critical of Title I and its effectiveness.[1] The report found that the progress of impoverished students who received additional instruction under Title I were indistinguishable from students with similar backgrounds who did not receive the additional instruction:

> **The progress of Chapter 1 [i.e. Title I] participants on standardized tests and on criterion-referenced tests was no better than that of nonparticipants with similar backgrounds and prior achievement.[2]**

- more -

---

[1]U.S. Department of Education, Improving America's Schools Act of 1993: Reauthorization of the Elementary and Secondary Education Act (September 13, 1993).

[2]Ibid..

If ever there were a test to determine if money is being wasted, it is this. Over $7 billion is spent on Title I every year and *it makes no difference.*

Why has Title I proven such a failure? The Department's evaluation provides the answer. The Department observes that the academic performance of children in high-poverty schools (defined as schools where at least 75 percent of students live below the poverty line) relative to that of children in low-poverty schools actually declines from early to later grades. Yet Chapter 1 does nothing to correct this disparity:

> **despite the best intentions of policymakers . . . key features of the program *work against success.*[3]**

The solution has become part of the problem. The Department's report contained other criticisms of Chapter 1:

> **Chapter 1 . . . does not have its intended benefits . . .**
>
> **Chapter 1 in effect has perpetuated a different, lower set of expectations for disadvantaged children . . .**
>
> **Chapter 1 operates as an add-on program that works at the margins.**
>
> **. . . 70 percent of regular classroom teachers report that Chapter I participants are pulled out of regular instruction for services.**
>
> **Chapter I instruction generally adds only an average of 10 minutes of extra instructional time per day.**
>
> **As a supplementary program, Chapter 1 has little effect on the regular program of instruction, where children in Chapter 1 spend almost their whole day. [T]his is typical even in many schoolwide programs, where high-poverty schools have the flexibility to serve all students with Chapter 1 funds.**
>
> **Chapter 1 frequently does not contribute to high-quality instruction.**
>
> **Chapter 1 is not generally tied to state and local reform efforts, either in assessment or in the instruction it drives.**
>
> **While many states are developing new, higher standards for all students and**

[3]Ibid., emphasis added.

assessments to measure how well schools and students are doing to meet these standards, *Chapter 1 continues to require testing that duplicates and sometimes undermines these efforts.*

Chapter 1 testing -- which involves over 5 million students yearly -- may be driving instruction throughout the entire system *in directions counter to reform.*

Chapter 1 may be holding back efforts to enrich the curriculum with more challenging material and concepts.[4]

Such is the Education Department's own evaluation of Title I. The Department's prescription for salvaging Title I--requiring states to submit content and performance standards and expanding eligibility for schoolwide programs--amounted to rearranging the deck chairs on a ship lodged firmly in the ocean floor.

Another account of Title I's ineffectiveness is provided by the Department's Inspector General.[5] In a review of six Newark, New Jersey schools who participated in Title I, the Inspector General found that the program did little to prepare its students who were mainstreamed into regular classes:

60.9 percent of Chapter 1 students who exited in either June or September 1990 re-entered the program within the next two years.[6]

These students went back into regular instruction in no better shape than when they started initial Title I instruction. Although the Title I program had certified that these students were able to learn and achieve alongside their peers, they were thrown back into their regular classes having received nothing for the time they spent in Title I instruction.

The Inspector General also pointed out a key deficiency of all federal education initiatives:

. . . excessive Chapter 1 administrative costs, which reduced funds available for instructional services.[7]

- more -

[4] Ibid., all emphasis added.

[5] U.S. Department of Education, Office of Inspector General, Semiannual Report to Congress, No.29 (October 28, 1994).

[6] Ibid.

[7] Ibid.

For example, the Puerto Rico Department of Education was found to be using $7 million of Title I funds for administrative costs rather than using these funds for instruction.[8]

Inefficiencies such as this are the reason why federal education initiatives inevitably fail. The federal government cannot provide educational services as effectively or as responsibly as state and local education agencies, which are closer and more accountable to parents. *There is no educational agency in the nation that is less accountable to parents than the U.S. Department of Education.*

Is this the type of spending that is essential to our children's education?

Having produced nothing, Title 1 should be cut off. Return those monies to states, localities, and parents, and they will find ways to educate the poor. They certainly cannot do worse than has the federal government's experiment with Title 1.

Congress would do well to take counsel from President Clinton's Office of Management and Budget Director Alice Rivlin, who advised,

> **The federal government should eliminate most of its programs in education[.] Washington not only has too much to do, it has taken on domestic responsibilities that would be handled better by the states. Revitalizing the economy may depend on restoring a cleaner division of responsibility between the states and the national government.**
>
> **[F]ederally funded experimental schools, even new grants spent in accordance with federal guidelines, can only make marginal contributions to fixing the schools.**
>
> **An "education president" . . . risks diluting state and local responsibility by implying that Washington can actually produce change.**[9]

Or, perhaps Congress should listen to the Department of Education itself. In its budget request for fiscal year 1995, the Department argued that cuts in federal education spending are indeed appropriate:

> **The Department is proposing no funding in 1995 for seven currently operating elementary and secondary education programs that have already accomplished their**

- more -

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[8] U.S. Department of Education, Office of Inspector General, Semiannual Report to Congress, No.28 (April 29, 1994).

[9] Alice M. Rivlin, Reviving the American Dream (Washington, D.C.: The Brookings Institution, 1992).

> **missions, duplicate other programs, support activities more appropriately carried out with non-Federal resources, or are poorly structured to accomplish their objectives.**[10]

The Department's reasoning is sound and should serve as a guide for congressional policymakers. No program fits these criteria (save the first) more neatly than Title I.

The Department of Education has contributed little if anything to improving the quality of education in America's classrooms. Only when the Education Department is eliminated will parents and teachers enjoy greater resources and wider discretion in implementing education reforms.

---

[10]U.S. Department of Education, The Fiscal Year 1995 Budget: Summary and Background Information.

Perspective

FAMILY RESEARCH COUNCIL

Gary L. Bauer
President

THE CASE AGAINST THE US EDUCATION DEPARTMENT

by
Jennifer A. Marshall and Eric Unsworth

A century and a half ago, Alexis de Tocqueville recognized that increased centralization and bureaucratization take away civic and individual responsibility: "[A] centralized administration is fit only to enervate the nations in which it exists, by incessantly diminishing their local spirit."

It isn't just fiscal crisis that necessitates the latest round of proposed budget cuts -- our social crisis demands that the role of the federal government be cut back. Bureaucracies like the US Education Department breed local apathy and mediocrity and should be eliminated -- even if we had a budget surplus.

Once upon a time the federal role in education was constitutional: it had none. Things began to change in the 1930s when the New Deal brought increasing federal involvement. Later, under President Eisenhower, Congress created the cabinet-level Department of Health, Education and Welfare. In 1965, Lyndon Johnson rammed through Congress the Elementary and Secondary Education Act, which vastly expanded federal involvement.

Then, in 1976, candidate Jimmy Carter promised a separate education department and received the backing of the National Education Association (NEA) as a result. In 1979, President Carter, facing a liberal challenge from Sen. Ted Kennedy (D-Mass.), set about to make good on his promise. But there was strong opposition from the American Federation of Teachers, from much of higher education, and from the general public. The AFL-CIO attacked the idea and even the *Washington Post* argued that bureaucratic costs would increase.

Marvin Stone, writing for *U.S. News & World Report,* articulated the fears of many Americans: "Would the Education Department have the power to tamper with America's traditional local control of education? Of course it would. Where there is money to be given, there is the implicit responsibility to make sure that it is spent according to the purposes of the donors -- or else." Though the bill establishing the department stated emphatically that state and local control would not be undermined, Stone was not convinced, citing a "subtle schizophrenia meandering through the legislation" that revealed the authors' true intentions.

700
Thirteenth St., NW
Suite 500
Washington, DC
20005
(202) 393-2100
FAX (202) 393-2134

The US Education Department, then, is a bureaucracy with a dubious past. Its conception was of doubtful legitimacy, given the strictures of the Constitution and tradition. The circumstances of its birth were also suspect -- more or less a political payoff to the NEA. And the US Education Department has not improved American education.

Before its creation, President Carter could point to "[o]ur Nation's pluralistic education system" as "the most competent and open in the world." No longer so. According to former Secretary of Education William Bennett, more than 90 percent of the students entering US colleges today would not be admitted to institutions of higher learning anywhere else in the world.

Meanwhile, the US Education Department has grown into a huge bureaucratic "blob," elbowing its way into places it does not belong. Federal intrusiveness reached a new height with passage of Goals 2000, which John Jennings, director of the Center on National Education Policy, calls "a monumental movement ***away*** from local control of education" (emphasis added).

Goals 2000 promotes national education goals and standards that override local priorities and ignore the fact that many private entities have developed gauges for student learning. University of Virginia professor E.D. Hirsch has written a series of books on cultural literacy, describing fundamentals of education at each grade level. The Family Research Council has published an outline of US history entitled *Let Freedom Ring.* William Bennett's best-selling *Book of Virtues* is a wonderful source on America's literary heritage. All of these examples meet the need for a high academic standard.

How is it possible that a program like Goals 2000 -- quite inimical to American tradition -- has become the manual for running local schools? Partly through subterfuge: the insistent repetition that it is entirely voluntary. Partly because the profound crisis of American education has convinced many that only an enormous federal initiative can cope with it. But this conviction is based on a fallacy: *the fallacy that the federal government has money of its own.* Our culture of dependency has forgotten that the only money the US Education Department or any other federal agency has, is money that citizens have earned.

Tocqueville's lesson has been relearned in our times: centralization and huge bureaucracies don't work very well. That truth swept away the regimes of the Soviet Union and half a host of other countries. Finally, it's beginning to hit home, too.

Today, no politician would dare highlight the facts which President Carter touted in his proposal for a US Education Department: over 150 programs, 16,200 employees, and a budget of more than $13 billion, making Education larger than five other departments. Such big-government philosophy has been rightfully stigmatized.

Bureaucracy must be pruned back to effect a renewal of the local spirit that Alexis de Tocqueville praised so highly in 1835:

I know of no people who have established schools so numerous and efficacious, places of public worship better suited to the wants of the inhabitants, or roads kept in better repair. Uniformity or permanence of design, the minute arrangement of details, and the perfection of administrative system must not be sought for in the United States; what we find there is the presence of a power which, if it is somewhat wild, is at least robust, and an existence checkered with accidents, indeed, but full of animation and effort.

It's time to disestablish the US Education Department -- for the sake of American education, our fiscal health, and the renewal of local spirit.

***

Jennifer A. Marshall is an Education Policy Analyst and Eric Unsworth is a Research Fellow at the Family Research Council, a Washington, DC -based research and advocacy organization.

EMPOWER AMERICA

1776 I Street, NW, Suite 890
Washington, DC 20006
(202) 452-8200
Fax: (202) 833-0368

NEWS ★ RELEASE

FOR IMMEDIATE RELEASE
CONTACT: Christian Pinkston
(202) 452-8200

EMPOWER AMERICA CO-DIRECTOR WILLIAM J. BENNETT SUPPORTS TERMINATING EDUCATION DEPARTMENT

(Washington, D.C., May 24, 1995)– Today, William J. Bennett, Co-Director of Empower America and former Secretary of Education, reaffirmed his support for "sending education home" to states and communities. Dr. Bennett mentioned several approaches – including legislation introduced today by House Republicans, and a bill he is supporting with Senator Coats and Lamar Alexander – as evidence that:

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"Empirical evidence and the experience of educators have exploded the myth that educational excellence depends on having a federal Department of Education. Decisions on education should belong with parents, communities and states. That's where the action is. We do not need a giant federal bureaucracy. And we surely do not need a federal Department of Education."

(EA-030, Released 5/24/95)

###

Congressman Sam Johnson

News Release

1030 Longworth House Office Building, Washington, D.C. 20515

<u>FOR IMMEDIATE RELEASE</u>
May 24, 1995

CONTACT: Mindy Tucker
202/225-4201

<u>JOHNSON INTRODUCES SPECIFICS ON EDUCATION ELIMINATION</u>

Washington, D.C. -- Rep. Sam Johnson (R-Dallas) today joined fellow members of a task force to eliminate the Department of Education to introduce legislation. "This bill sends education home where it belongs with parents, teachers and local school boards. The federal role in education has been an intrusive failure, and it's time to get the power out of Washington and back to the people," said Rep. Johnson.

The bill returns control of education to states and localities and dramatically scales down the federal role in education. Some highlights of the bill include:

* Shuts down the Department of Education;
* Transfers necessary programs to other agencies, better suited to manage them;
* Streamlines the job training system and block grants programs to the states;
* Block grants to states for elementary, secondary and post-secondary education needs;
* Slashes the bureaucratic administration within each remaining program; and
* Eliminates all current federal education regulations except those included in block grants or remaining programs that are transferred to other agencies (eliminates Goals 2000).

"For years now Washington has thrown more money and more regulations at education in America, with poor results. The Department of Education and the federal education "experts" have failed to solve the education crisis or improve the quality of our schools. Instead they have stifled local creativity, increased bureaucracy and cost, and abolished the ability of our schools to educate our children. The best thing we can do for education now is get the federal government out of the way," said Rep. Johnson.

"The Department of Education employs over 5,100 bureaucrats, administers 240 programs and had a 1995 budget of $33 billion. The enormous numbers of employees and dollars are not matched with high test scores and literacy rates. In fact it is just the opposite, test scores and the number of Americans who can read are down and only appear to be sinking lower. Republicans in Congress are changing the face of American government. Bloated and ineffective agencies are becoming a thing of the past as we move to empower the people and restore the American dream. Today is an important step in that process," said Rep. Johnson

-30-

STEVE CHABOT NEWS

MEMBER OF CONGRESS
FIRST DISTRICT, OHIO

1641 Longworth Washington D.C. 20515
(202) 225-2216

105 W. Fourth Street Room 1115 Cincinnati, Ohio
(513) 684-2723

For Immediate Release

Date: May 24, 1995
Contact: Gary Lindgren
Phone: (202) 225-2216

Returning Education Control to Parents, Teachers, and Communities

WASHINGTON - Congressman Steve Chabot (OH-1) today unveiled legislation that will return control over education to parents, teachers, communities, and states by abolishing the federal Department of Education. The *Back to the Basics Education Reform Act,* crafted by a House Task Force co-chaired by Chabot, establishes two education block grants that will return most federal education money to states and local schools.

Chabot, a former school teacher, stressed the need to improve our nation's schools. "Responsibility and authority for education should be moved out of Washington and returned to parents, teachers, communities, and states," said Chabot. The federal government has stifled local creativity, increased bureaucracy, and impeded the ability of schools to educate our children. It's time that we start looking out for the best interest of students, not the special interest of the federal education bureaucracy."

In a letter to Congressman Chabot, Ohio Governor George Voinovich strongly supported Chabot's efforts to eliminate the Department of Education. "Allowing states and communities to have greater control and flexibility over education dollars is a sure way to see those dollars reach the place they are most needed -- America's classrooms -- and used in the most effective way to improve the education system," wrote Voinovich. "From a practical and budgetary viewpoint, it is sound public policy to devolve responsibility for education programs to states and local governments."

The *Back to the Basics Education Reform Act* will send a $9 billion block grant to states for elementary and secondary education. A second block grant will contain $2 billion for higher education. Both block grants will go to state governors and require that 98 percent of funding flow directly to local schools.

The legislation transfers several federal education programs to existing agencies. Student loans, Pell Grants, and Individuals with Disabilities Education Act (IDEA) programs will be moved to the Department of Health and Human Services; Impact Aid will be administered by the Department of Defense; and Indian Education will be consolidated under the Interior Department.

Representative Chabot praised the effort to return education control to parents and communities. "Too many education dollars are devoured by Washington's education bureaucracy," said Chabot. "In order to encourage creativity and innovation in our schools, the federal government must stop blocking the road to local reform. Eliminating the federal education bureaucracy will remove many burdensome restraints and allow education dollars to flow directly into America's classrooms."

The legislation also slashes the administrative accounts for programs transferred to the Department of Health and Human Services by 30 percent and eliminates all federal education regulations, except those necessary to distribute block grants and administer transferred programs.

Since it's creation, the Department of Education's budget has grown from $14 billion in 1980 to $33 billion in 1995. And in the last five years, the Department has grown from 4,596 bureaucrats and 155 programs to 5,100 bureaucrats and 240 programs. Unfortunately, the quality of education has not improved as a result. In fact, SAT scores have declined over the last 25 years and graduation rates have remained stagnant.

Former Secretaries of Education Bill Bennett and Lamar Alexander both have called for an end to the Department of Education. In his letter to Congressman Chabot, Governor Voinovich criticized federal interference in education. "We agree that we can no longer afford and should not permit continued federal micromanagement of education policy," added Voinovich.

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104th Congress
Privatize Localize Consolidate Eliminate

NEWS RELEASE **FOR IMMEDIATE RELEASE**
Tuesday, May 23, 1995

Returning Education Control to Parents, Teachers, Communities and States

WASHINGTON - The House Education Task Force today unveiled legislation designed to return control over education to parents, teachers, communities, and states by abolishing the federal Department of Education. The *Back to the Basics Education Reform Act,* crafted by a House Task Force led by Representative Joe Scarborough (R-FL), establishes two education block grants that will return most federal education money to states and local schools.

"The legislation we are proposing today was put together after months of hard work by the members of the Task Force. Our goal is to reform the nation's education system. This is a serious effort to give back to teachers, parents, and communities the dominant role in education that they have had historically," said Scarborough.

The *Back to the Basics Education Reform Act* will send a $9 billion block grant to states for elementary and secondary education. The second block grant will contain $2 billion for higher education. Both block grants will go directly to state governors and require that 98 percent of funding flow directly to local schools.

The legislation transfers several federal education programs to existing agencies. Under the proposal, student loans, Pell Grants, and Individuals with Disabilities Education Act (IDEA) programs will be moved to the Department of Health and Human Services, Impact Aid will be administered by the Department of Defense, and Indian Education will be consolidated under the Interior Department.

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Representative Steve Chabot (R-OH), co-chairman of the Education Task Force, praised the effort to return education control to parents and communities. "Too many education dollars are devoured by Washington's education bureaucracy," said Chabot. " In order to encourage creativity and innovation in our schools, the federal government must stop blocking the road to local reform. Eliminating the federal education bureaucracy will remove many burdensome restraints and allow education dollars to flow directly into America's classrooms."

The legislation also slashes the administrative accounts for programs transferred to the Department of Health and Human Services by 30 percent and eliminates all federal education regulations, except those necessary to distribute block grants and administer transferred programs.

"In order to improve our children's lives and ensure their safe and prosperous future, we must restore local control over education," said House Conference Chairman John Boehner (R-OH), one of the three chief sponsors of the legislation. "We must end the federal interference in education which has hampered parents and teachers with needless red tape and mandates. This bill takes the first steps towards freeing parents and local schools from federal bureaucratic control."

Representative Scarborough stressed the need for immediate reform. "I have two small children who I want, as any responsible parent would want, to give them the best education possible," said Scarborough. "Can we really look at the increase in federal education spending, and then look at the problems in our schools and say that the system is working? The great federal experiment in education is over. It failed. It is time to move on."

The Department of Education is one of four bureaucracies earmarked for elimination by a group of Freshman and Sophomore task forces earlier this spring.

"We have looked at each of these bureaucracies, program by program and budget line by budget line. We have asked the fundamental question: Is this program an essential and necessary function of a limited federal government? If yes, we have consolidated the program into existing agencies, but, if not, we have localized, privatized, or eliminated these programs. We believe that education in America is the constitutional responsibility of the states, the social responsibility of communities, and the moral responsibility of families. Our goal is to return the important education decisions to families, communities and states where they belong," said Sam Brownback (R-KS), Four Agency Task Force Coordinator.

For more information regarding the dismantling of the Department of Education, please contact Gary Lindgren, Rep. Steve Chabot's Office, at (202) 225-2216. For more information regarding the four agency elimination proposal, contact Jackie McClaskey, Rep. Sam Brownback's Office, (202) 225-6601.

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"BACK TO BASICS EDUCATION REFORM ACT"

PURPOSE

Under the ***Back to Basics Education Reform Act***, responsibility and authority for education will be moved out of Washington and returned to parents, teachers, communities, and states. The Department of Education has failed to improve education since its establishment in 1979. Instead, the federal government has stifled local creativity, increased bureaucracy, and imposed restrictive mandates and regulations on our schools.

The ***Back to Basics Education Reform Act*** also dramatically scales back the federal interference in education. Decisions about our children's education need to be made by parents, teachers, communities, and states -- not distant bureaucrats in Washington D.C.

DEPARTMENT SHUTDOWN

The United States Department of Education will be shut down one-year after the date of enactment.

NEW PROGRAMS

Elementary and Secondary Education (ESE) Block Grants: Provides a "no strings" block grant to the States for distribution to local schools. Schools will be able to use block grant funding for any educational purpose -- provided that no more than 2% of the money is spent on administrative overhead. School districts will be required to make a public accounting of how federal funds are spent. Federal regulations will be limited to those necessary to guarantee the timely distribution of funds.

Post Secondary Education (PSE) Block Grant: Provides a "no strings" block grant to the States for distribution to institutions of higher education. Institutions of higher education will be able to use block grant funding for any educational purpose -- provided that no more than 2% of the money is spent on administrative overhead. Institutions of higher education will be required to make a public accounting of how federal funds are spent. Eligible institutions include: 4-year bachelors degree-granting institutions, and community and junior colleges granting associates level degrees. Graduate and professional students attending qualified institutions also will be eligible. Federal regulations will be limited to those necessary to guarantee the timely distribution of funds.

TRANSFERRED PROGRAMS

The **Federal Family Education Loan** program will transfer to the Department of Health and Human Services.

The **Perkins Loan** program will transfer to the Department of Health and Human Services. We are maintaining the $6 billion revolving fund, while eliminating new capital infusion into the program.

The **Pell Grant** program will transfer to the Department of Health and Human Services.

The **Individuals with Disabilities Education Act (IDEA)** program will transfer to the Department of Health and Human Services. This program will be reviewed by Congress in the current session. As a result, the ***Back to Basics Education Reform Act*** does not address IDEA reforms.

The **Impact Aid** program will transfer to the Department of Defense. Government military bases and Indian reservations throughout the nation are exempt from local taxes. Impact Aid compensates communities for their lost tax base. While not addressed in this legislation, we will continue to search for improvements to Impact Aid. One means of improving the current system may be to provide vouchers to parents in impacted areas.

The **Indian Education** program will transfer to the Department of the Interior. This transfer will consolidate Native Americans education programs .

The **Civil Rights** functions of the Department of Education will transfer to the Department of Justice.

FEDERAL EDUCATION LAWS REPEALED

Goals 2000: Educate America Act
Sections of the Elementary and Secondary Education Act
Sections of the Higher Education Act
Sections of the General Education Provisions Act

OTHER EXISTING PROGRAMS

Job Training: Contains a finding that Congress should consolidate job training programs into one or more block grants. Also, Congress should place job training programs under the jurisdiction of the Department of Labor. Legislation is expected in this session.

Howard University: Jurisdiction will transfer to the Department of Health and Human Services. Funding will continue at FY95 levels through the year 2000 with the requirement that increasing amounts must go to Howard's endowment. FY98 - 30%. FY99 - 60%. FY2000 - 100%.

AUTHORIZATION

The legislation is authorized for four years: one year for department shut down and three additional years.

TAX CUT

The ***Back to Basics Education Reform Act*** calls for a review of whether some or all federal education funding can be replaced with a comparable tax cut to families and students. It is impractical and wasteful for parents and communities to send their money to Washington, only to have a large portion devoured by federal and state bureaucracies. A federal tax cut may provide local schools and states with greater flexibility for school financing.

PARENTAL PROTECTIONS

The parental protections in current law are preserved, including the Buckley and Hatch Amendments.

BUREAUCRATIC REDUCTIONS

Scales back the number of federal bureaucrats administering federal programs. The bill slashes the administrative account for programs transferred to HHS by 30%. This cut will effectively cap the number of administrative employees HHS can hire.

Creates an Office of Economic Opportunity within the already existing Administration for Children and Families. The Office will be administered by a Director who will serve under the Assistant Secretary for Children and Families. Two Assistant Directors will serve under the Director. The Assistant Director of Childhood Schooling will administer the Elementary and Secondary Education Block Grant and IDEA. The Assistant Director for Advanced Schooling will administer the Post-Secondary Education Block Grant, Pell Grants, student loans, and Howard University.

REGULATORY REDUCTION

All current federal education regulations will be eliminated except those necessary to distribute block grants and administer transferred programs.

HHS is required to develop a consolidated application process for the two block grant programs and work to develop a consolidated application for all education programs.

FUNDING

Funding for all transferred programs will reflect FY95 levels for the length of the authorization.

Block Grant funding was determined as follows: all current programs were reviewed; funding for several programs was eliminated; funding for all remaining elementary and secondary education programs became the ESE Block Grant; funding for all remaining post-secondary education programs became the PSE Block Grant.

Funding levels for both block grants will remain constant.

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EDUCATION TASK FORCE MEMBERS

Joe Scarborough, Chairman
Steve Chabot, Co-Chairman
Bob Barr
John Boehner
Sonny Bono
Jon Christiansen
David Funderburk
Lindsey Graham
Doc Hastings
Tim Hutchinson
Peter Hoekstra
John Hostettler
Ernest Istook
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