



UNITED STATES HOUSE OF REPRESENTATIVES
COMMITTEE ON GOVERNMENT REFORM — MINORITY STAFF
SPECIAL INVESTIGATIONS DIVISION
OCTOBER 21, 2004
REVISED JANUARY 7, 2005

THE POLITICIZATION OF INSPECTORS GENERAL

PREPARED FOR

REP. HENRY A. WAXMAN

TABLE OF CONTENTS

EXECUTIVE SUMMARYi

I. INTRODUCTION.....1

II. METHODOLOGY2

III. FINDINGS.....3

 A. Connections to the White House3

 B. Other Political Connections.....4

 C. Political Campaign Contributions6

 D. Substantive Audit Experience.....6

 E. Examples of Questionable Conduct by IGs.....8

 1. Actions by HHS IGs.....8

 2. Actions by DOD IGs.....10

IV. CONCLUSION12

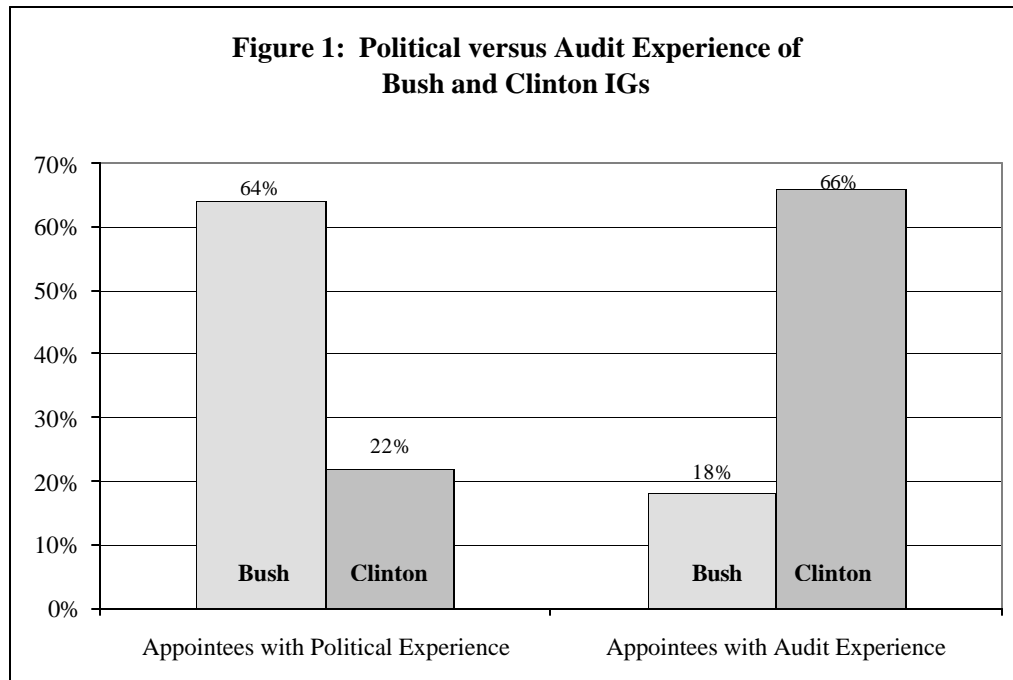
APPENDIX.....13

EXECUTIVE SUMMARY

Inspectors General (IGs) are officials within each federal agency who are charged with investigating evidence of waste, fraud, and abuse in the Executive Branch. Over the last 25 years, investigations by IGs have saved taxpayers billions of dollars.

To ensure that IGs are independent and objective, Congress required that they be nonpartisan, specifically directing the President to appoint IGs “without regard to political affiliation.” Congress further provided that IGs should be appointed based “solely on the basis of integrity and demonstrated ability” in areas such as accounting and financial analysis.

At the request of Rep. Henry A. Waxman, this report examines the backgrounds of the 43 IGs appointed under the Inspector General Act by Presidents Bush and Clinton over the last 12 years. It finds that IG appointments have become increasingly politicized during the administration of President Bush. Whereas President Clinton typically appointed nonpartisan career public servants as IGs, President Bush has repeatedly chosen individuals with Republican political backgrounds. Over 60% of the IGs appointed by President Bush had prior political experience, such as service in a Republican White House or on a Republican congressional staff, while fewer than 20% had prior audit experience. In contrast, over 60% of the IGs appointed by President Clinton had prior audit experience, while fewer than 25% had prior political experience. Figure 1.



Specifically, the report finds:

- ? Connections to White House: Over one-third of the IGs appointed by President Bush worked in Republican White Houses prior to their appointments as IGs. In contrast, President Clinton appointed no IGs who had worked in any Democratic White House prior to their appointments.
- ? Other Political Connections: In total, 64% of the IGs appointed by President Bush held some sort of political position, such as a political appointment in a Republican administration or a position with a Republican member of Congress, before their appointments as IGs. Only 22% of the IGs appointed by President Clinton had worked in political positions before their appointments.
- ? Political Campaign Contributions: Over half of the IGs appointed by President Bush had made contributions to his campaign or other Republican candidates. In comparison, only 25% of the IGs appointed by President Clinton had made any federal campaign contributions.
- ? Substantive Audit Experience: Only 18% of the IGs appointed by President Bush had previous audit experience, such as experience in an IG's office, at the Government Accountability Office, or at a private accounting firm. In contrast, 66% of IGs appointed by President Clinton had audit experience prior to their appointments.

Prior political experience does not mean that an IG will act in a manner inconsistent with his or her responsibilities. Nonetheless, there have been several high-profile instances of questionable actions by Bush Administration IGs. For example, Janet Rehnquist, the former IG of the Department of Health and Human Services, delayed the release of a critical audit of Florida's pension system until after the reelection of Florida Governor Jeb Bush; Dara Corrigan, Ms. Rehnquist's successor at HHS, refused to investigate whether HHS Secretary Tommy Thompson or White House officials participated in the decision to withhold Medicare cost estimates from Congress; and Lt. Gen. Paul Mikolashek, the U.S. Army IG, reported that the abuses at Abu Ghraib prison were the result of "unauthorized actions taken by a few individuals," not the fault of senior military officials or Defense Secretary Donald Rumsfeld. These actions may be a symptom of the increasing politicization of IGs under President Bush.

I. INTRODUCTION

Inspectors General (IGs) play a critical role in maintaining checks and balances in the federal government: they investigate evidence of waste, fraud, and abuse in federal agencies and report their findings to Congress and the public. Under the Inspector General Act of 1978, they are directed to “conduct, supervise, and coordinate audits and investigations” and to inform the head of the organization and Congress “concerning fraud and other serious problems, abuses, and deficiencies.”¹

According to David M. Walker, the Comptroller General at the Government Accountability Office: “There is no question that the inspector general community has made a significant difference in federal performance and accountability during the past 25 years [T]hey’ve saved billions of dollars to the public . . . and they’ve also had thousands of criminal and civil referrals.”²

To ensure the independence and objectivity of IGs, the Inspector General Act specifically mandated that the President appoint Inspectors General “without regard to political affiliation” and “solely on the basis of integrity and demonstrated ability” in fields like accounting, auditing, financial analysis, or investigations.³ Congress also required that IG offices be “independent and objective units” within the agencies they serve.⁴ IGs appointed under the 1978 Act require confirmation by the Senate, and they may be removed only if the President communicates to Congress the reasons for the removal.⁵

At the request of Rep. Henry A. Waxman, the ranking member of the Committee on Government Reform, this report assesses the backgrounds of the IGs that have

¹ 5 U.S.C. App. § 4.

² Testimony of Comptroller General David M. Walker before the House Government Reform Committee, Subcommittee on Government Efficiency and Financial Management (Oct. 8, 2003).

³ The Inspector General Act of 1978, as amended, provides: “There shall be at the head of each Office an Inspector General who shall be appointed by the President, by and with the advice and consent of the Senate, without regard to political affiliation and solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations.” 5 U.S.C. App. § 3.

⁴ The Inspector General Act of 1978, as amended, created offices of inspector general within federal agencies “[i]n order to create independent and objective units” to “conduct and supervise audits and investigations,” “to prevent and detect fraud and abuse,” and “to provide a means for keeping the head of the establishment and the Congress fully and currently informed about problems and deficiencies relating to the administration of such programs and operations and the necessity for and progress of corrective action.” *Id.*

⁵ *Id.*

been appointed over the last 12 years by Presidents Bush and Clinton. It is the first report to examine systematically whether the IGs have in fact been appointed “without regard to political affiliation” and “solely on the basis of integrity and demonstrated ability” as the 1978 law requires.

II. METHODOLOGY

This report analyzes the backgrounds of all IGs appointed by Presidents Bush and Clinton and confirmed by the Senate under the Inspector General Act of 1978. This law applies to the IGs in 28 federal agencies, including all 15 cabinet departments and the major independent agencies.⁶ In total, the report examines the backgrounds of 43 IGs, 32 of whom were appointed by President Clinton and 11 of whom were appointed by President Bush. Individuals appointed to more than one IG position by the same President are included only once for statistical calculations.

For each IG, the report examines (1) whether the individual had political experience prior to his or her appointment, (2) whether the individual had made federal political contributions, and (3) whether the individual had prior audit experience. Information on political contributions was obtained through the Center for Responsive Politics website at www.opensecrets.org, which contains records of political contributions from 1989 to the present.

For the purposes of the report, “political experience” means having worked in the White House, having held a political position in a federal agency (except in an IG office), having worked for a member or committee of Congress, having run for federal office, having worked for the Democratic National Committee or Republican National Committee, or having held a political position in state

⁶ Under the Inspector General Act of 1978, as amended, IGs nominated by the President and confirmed by the Senate are established in the following agencies: Agency for International Development; Corporation for National and Community Service; Department of Agriculture; Department of Commerce; Department of Defense; Department of Education; Department of Energy; Department of Health and Human Services; Department of Homeland Security; Department of Housing and Urban Development; Department of Interior; Department of Justice; Department of Labor; Department of State and the Broadcasting Board of Governors; Department of Transportation; Department of the Treasury (includes both the Treasury IG and the Treasury Inspector General for Tax Administration); Department of Veterans Affairs; Environmental Protection Agency; Federal Deposit Insurance Corporation; General Services Administration; National Aeronautics and Space Administration; U.S. Nuclear Regulatory Commission; Office of Personnel Management; Railroad Retirement Board; Small Business Administration; Social Security Administration; Tennessee Valley Authority; and Export-Import Bank.

government for either President Bush or President Clinton when they served as governors. A federal agency position is considered “political” if it was listed as such in *United States Government Policy and Supporting Positions* (the “Plum Book”), published alternately by the Senate Committee on Governmental Affairs and the House Committee on Government Reform. For the purposes of this report, “audit experience” means employment in an IG office, at the Government Accountability Office (GAO), or with a private accounting firm.

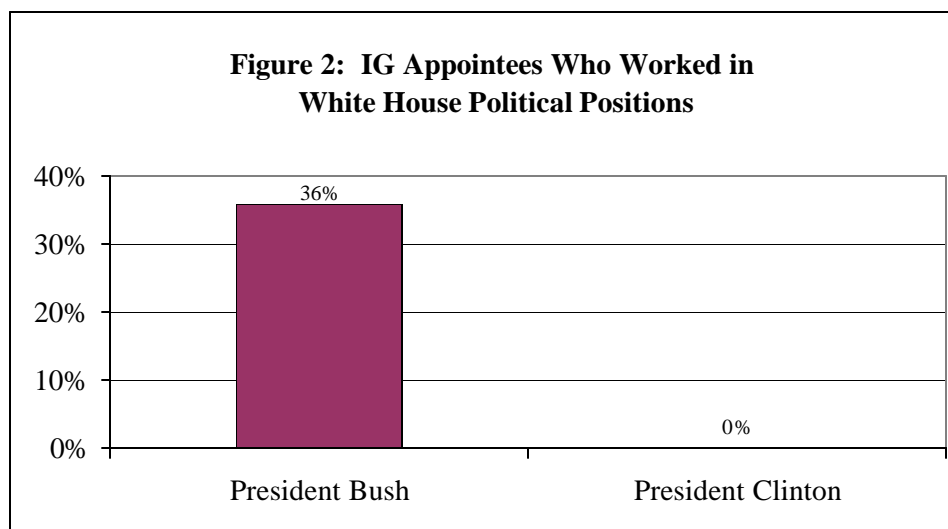
Information about the backgrounds of the IGs was drawn from publicly available sources, including published profiles, Senate testimony, and government press releases.

III. FINDINGS

This report finds that the IG appointments of Presidents Bush and Clinton differ markedly. Two-thirds of President Clinton’s appointments had prior audit experience, while fewer than one-fourth had prior political experience. These figures are reversed for President Bush’s appointments: approximately two-thirds of President Bush’s appointments had prior political experience, while fewer than one-fifth had prior audit experience. Whereas President Clinton typically appointed nonpartisan career public servants to IG positions, President Bush has favored individuals with Republican backgrounds in his appointments.

A. Connections to the White House

Over one-third of the IGs appointed by President Bush (36%) worked in a Republican White House prior to their IG appointments. These included senior positions in both the White House of President George W. Bush and the White House of his father, President George H.W. Bush. In contrast, none of the IGs appointed by President Clinton worked in a Democratic White House before his or her appointment. Figure 2.



One example of an IG appointed by President Bush with White House experience is Janet Rehnquist, who was appointed Inspector General of the Department of Health and Human Services. Ms. Rehnquist, who is also the daughter of Supreme Court Chief Justice William Rehnquist, served in the first Bush Administration for three years as Associate Counsel to the President. Other examples include Robert W. Cobb, who served as Associate Counsel in the second Bush Administration before his appointment as Inspector General of NASA, and Clark Ervin, who served as Associate Director of Policy in the Office of National Service in the first Bush Administration prior to his appointment as Inspector General of the State Department and later the Department of Homeland Security.

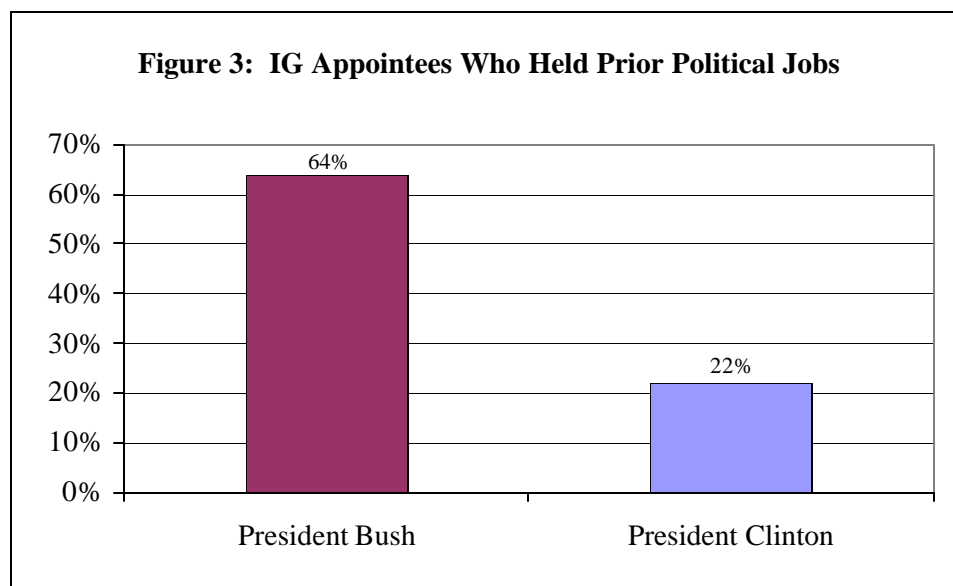
Another example of an IG with White House experience is Stuart Bowen, who was appointed as Inspector General of the Coalition Provisional Authority by President Bush. Prior to his appointment as Inspector General, Mr. Bowen had held numerous positions in President George W. Bush's White House, including Deputy Assistant to the Secretary and Deputy Staff Secretary, and Special Assistant to the President and Associate Counsel. He also served as Deputy Counsel to the Bush-Cheney transition team and was a "key player" in the Florida recount.⁷ Although Mr. Bowen is an IG with previous White House experience, he is not included in the tally of Bush Administration IGs because the CPA IG does not technically fall under the Inspector General Act.

B. Other Political Connections

When other forms of political work experience are considered, the percentage of IGs appointed by President Bush with prior political experience increases to 64%.

⁷ *Code Orange: Glowing Lawyer*, Washington Post (Jan. 9, 2004).

In contrast, only 22% of IGs appointed by President Clinton worked in political positions before being appointed. Figure 3.



An example of an IG with political experience outside of the White House is Joseph Schmitz, who was appointed as Inspector General of the Department of Defense by President Bush. Prior to his IG appointment, Mr. Schmitz served as Special Assistant in the Office of Attorney General Edwin Meese during the Reagan Administration. Although it does not count as “political experience” under the definition used in this report, Mr. Schmitz also provided legal representation to Republican Speaker of the House Newt Gingrich and the Washington Legal Foundation, a conservative interest group, after leaving the Reagan Administration. Mr. Schmitz is the son of former Republican Representative John G. Schmitz.

Several of the IGs appointed by President Bush had prior political experience working for Republican members of Congress. Before his appointment by President Bush as Inspector General of the General Services Administration (and his pending nomination to be Inspector General of HHS), Daniel Levinson served for three years as Chief of Staff and Counsel to Republican Congressman Bob Barr, who was the first member of Congress to call for the impeachment of President Clinton.⁸ Before his appointment by President Bush as Inspector General of the Small Business Administration, Howard Damelin spent several

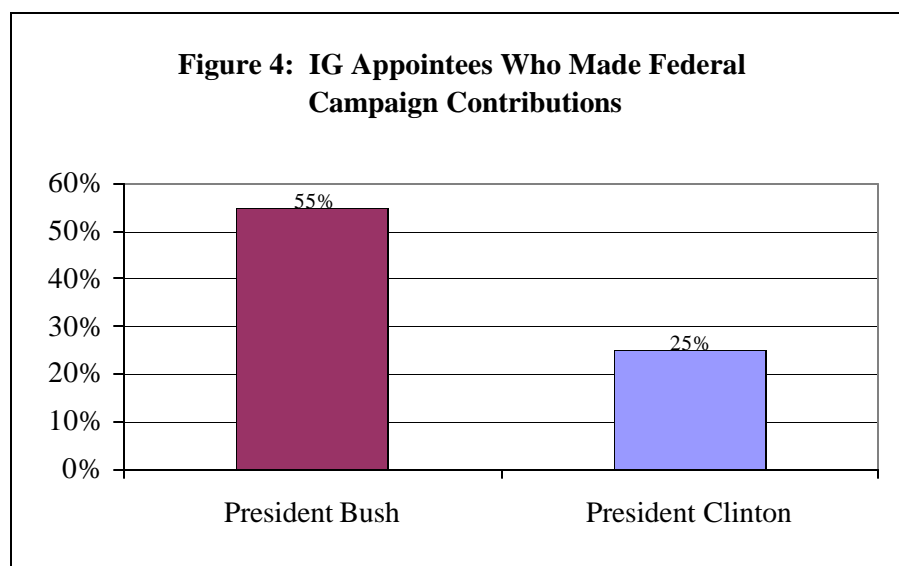
⁸ Mr. Levinson began serving as Acting IG at HHS on October 1, 2004, having been nominated IG of HHS by President Bush in July 2004. He is awaiting Senate confirmation for that position.

years as Staff Director and Chief Counsel of the Republican staff of the Senate Permanent Subcommittee on Investigations. Mr. Damelin also served as Senior Counsel for Senator Fred Thompson, the Chairman of the Senate Governmental Affairs Committee, during Senator Thompson's investigations of President Clinton for fundraising improprieties during the 1996 election.

An example of an IG with political experience appointed by President Clinton is Eleanor Hill. Prior to her appointment as Defense Department Inspector General in 1995, Ms. Hill worked as Chief Counsel and Staff Director to Senator Sam Nunn, the Chairman of the Governmental Affairs Committee's Permanent Subcommittee on Investigations.

C. Political Campaign Contributions

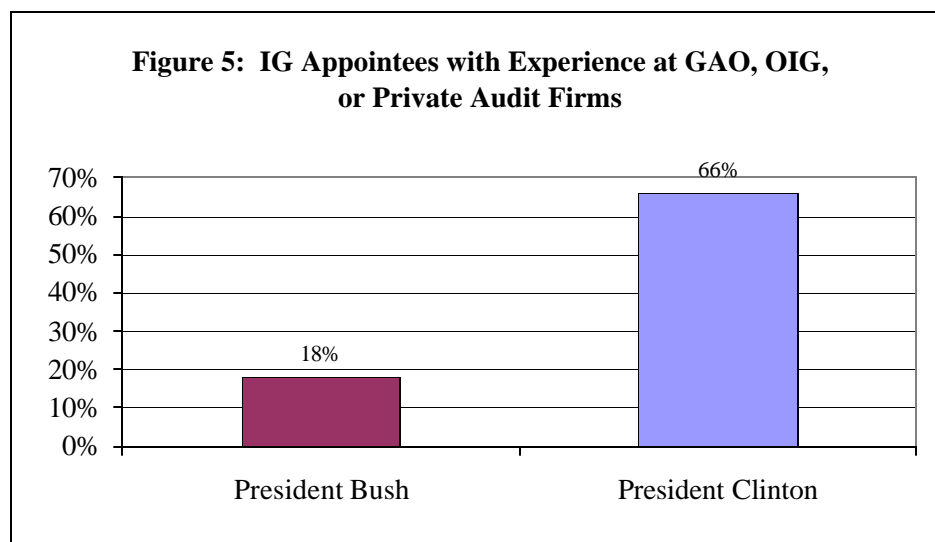
Over half of President Bush's IG appointments (55%) made political contributions to President Bush or other Republican candidates prior to their appointments. For example, both Mr. Levinson, the Inspector General of the General Services Administration, and Mr. Damelin, the Inspector General of the Small Business Administration, gave \$1,000 to President Bush's election campaign. Only 25% of the IGs appointed by President Clinton made federal political contributions. Figure 4.



D. Substantive Audit Experience

While approximately two-thirds of the IGs appointed by President Bush had prior political experience, only 18% of IGs appointed by President Bush had previous experience working in an IG's office. No IGs appointed by President Bush had

experience working at GAO or with private accounting firms. In contrast, two-thirds of the IGs appointed by President Clinton had prior audit experience in an IG office, at GAO, or with private audit firms. Figure 5.



An example of a Bush appointee with no prior audit experience is Mr. Schmitz, the Inspector General at the Department of Defense. While serving as Inspector General, Mr. Schmitz wrote that he was “neither an accountant nor an auditor by background.”⁹ Despite this acknowledged lack of auditing experience, Mr. Schmitz was appointed to head the IG office overseeing arguably the most financially dysfunctional agency in the federal government. As the Pentagon IG’s website states, “Based on post-Enron independence standards, the Inspector General is the only DoD Officer qualified to issue opinions on the financial statements of the Department of Defense, the annual budget for which exceeds \$400 billion.”¹⁰

Of the 11 IGs appointed by President Bush, only two had previous experience at an Inspector General’s office. One is John Higgins, the Inspector General of the Department of Education, who worked for six years as Deputy Inspector General in that office before becoming IG.¹¹ The other is Phyllis Fong, a holdover from

⁹ Letter from Joseph E. Schmitz to Peter G. Fitzgerald, Chairman of the Subcommittee on Financial Management, the Budget, and International Security, Senate Committee on Governmental Affairs (July 8, 2004)

¹⁰ Department of Defense Office of Inspector General website, www.dodig.osg.mil/BIOs/schmitz_bio.htm (Oct. 19, 2004).

¹¹ John Higgins also served as an auditor for the Health Education Welfare Audit Agency from 1968 to 1980 and has worked at the Department of Education Office of Inspector General since 1980.

the Clinton Administration who worked in the IG office at the Small Business Administration (SBA) from 1983 to 1999, at which time President Clinton appointed her Inspector General of SBA. She was appointed IG of the Department of Agriculture by President Bush in 2002.

In contrast, of the 32 IGs appointed by President Clinton, 21 had previous work experience in an IG office, at GAO, or with a private audit firm. For example, Johnnie Frazier worked for 21 years at the Department of Commerce IG office before President Clinton appointed him Inspector General there. Gaston Gianni, Jr., worked for 31 years at GAO before President Clinton appointed him Inspector General of the Federal Deposit Insurance Corporation. Gregory Friedman spent over 20 years at the Department of Energy, including 16 years at the IG office, before being appointed IG of that agency. When President Clinton appointed June Gibbs Brown as IG of HHS, she had previously served as IG at the Department of Interior, NASA, the Department of Defense, and the Navy Pacific Fleet under Presidents Carter, Reagan, and George H.W. Bush.

E. Examples of Questionable Conduct by IGs

Prior political connections do not mean that an individual appointed as an IG will act in a manner inconsistent with his or her official responsibilities. Nonetheless, there have been a number of instances in which the objectivity and independence of IGs appointed during the Bush Administration have been called into question. In some instances, the IGs involved were appointed by President Bush under the Inspector General Act. In other instances, the IGs involved were serving in an acting capacity or served in positions that are not subject to the Inspector General Act. The actions of these IGs raise concerns about whether the politicization of IGs under President Bush is affecting the quality and independence of federal oversight.

Just this week, it was revealed that the Inspector General of the Central Intelligence Agency may be suppressing a critical report on intelligence failures related to the September 11 attacks until after the election.¹² Other examples of questionable conduct include actions taken by the Inspectors General of the Department of Health and Human Services and the Department of Defense.

1. Actions by HHS IGs

One of the first IGs appointed by President Bush was Janet Rehnquist, the daughter of Supreme Court Justice William Rehnquist. Prior to her appointment as Inspector General of the Department of Health and Human Services, she had

¹² *The 9/11 Secret in the CIA's Back Pocket*, Los Angeles Times (Oct. 19, 2004).

served as Associate Counsel to President George H.W. Bush and Counsel to the Republican staff of the Senate Permanent Subcommittee on Investigations. According to Paul Light of the Brookings Institution, President Bush's appointment of Ms. Rehnquist was intended to send a "dramatic signal" that the Bush Administration did not want a strong Inspector General at HHS.¹³

Questions about Ms. Rehnquist's independence and objectivity arose soon after her appointment. Ms. Rehnquist delayed an audit of Florida's pension system that might have negatively affected Governor Jeb Bush's 2002 election bid after she received a call from Governor Bush's Chief of Staff, Kathleen Shanahan, a former aide to Vice President Cheney.¹⁴ In reviewing Ms. Rehnquist's actions, GAO concluded that she "did not appropriately investigate the implications of her decision before agreeing to delay what ultimately resulted in a report containing significant monetary findings."¹⁵

In another incident, allegations surfaced that Ms. Rehnquist directed the settlement of a case against a hospital in Pennsylvania after receiving a letter from three members of Congress encouraging her to settle the case quickly. In this matter, GAO concluded that she acted "possibly against the government's financial interest."¹⁶ Within the IG office, Ms. Rehnquist also "initiated a variety of personnel changes in a manner that resulted in the resignation or retirement of a significant portion of senior management, disillusioned a number of higher level OIG officials and other employees and fostered an atmosphere of anxiety and distrust," according to the report by GAO.¹⁷

Ms. Rehnquist resigned her position in June 2003 "under fire from members of Congress and government investigators for alleged professional misconduct," including whether she had improperly infused politics into her oversight duties.¹⁸

Ms. Rehnquist was succeeded by Dara Corrigan, who was appointed by Secretary of Health and Human Services Tommy Thompson to serve as the acting IG.¹⁹

¹³ *In the Belly of the Beast*, National Journal (Nov. 1, 2003).

¹⁴ U.S. General Accounting Office, *Department of Health and Human Services: Review of the Management of Inspector General Operations* (June 2003) (GAO-03-685); *State Owes U.S. \$267 Million, Feds Say*, Miami Herald (Sept. 11, 2003).

¹⁵ *Id.*

¹⁶ U.S. General Accounting Office, *supra* note 13.

¹⁷ *Id.*

¹⁸ *Embattled HHS IG Rehnquist To Resign June 1; Hill Critics Alleged Misconduct*, Washington Post (March 5, 2003). *See also A Top Health Official Resigns under Pressure*, New York Times (March 4, 2003); *Delayed Audit Has Bad News for State*, St. Petersburg Times (September 12, 2003).

¹⁹ On October 1, 2004, Daniel Levinson replaced Dara Corrigan as acting IG at HHS.

Like Ms. Rehnquist, Ms. Corrigan also received criticism for putting political considerations ahead of her statutory responsibilities. In particular, Ms. Corrigan failed to investigate adequately why estimates of the costs of the controversial Medicare Modernization Act were withheld from members of Congress.

According to the ranking members of five House committees and subcommittees, her investigation into the withholding of the cost estimates was a “superficial recitation of limited facts.”²⁰ The members observed that “[s]ome of the most important issues — such as who knew about the higher cost estimates, when they knew about them and who knew they were being withheld from Congress — were simply not addressed.”²¹ For example, Ms. Corrigan did not examine whether HHS Secretary Tommy Thompson or White House officials played any role in directing the HHS actuary, Richard Foster, not to share his cost estimates with Democratic members of Congress.

2. Actions by DOD IGs

At the Department of Defense, questions have been raised about the independence and objectivity of Inspector General Joseph Schmitz, who was nominated by President Bush in June 2001. As noted above, Mr. Schmitz had served as a political appointee in the Reagan Administration prior to his appointment. He also provided legal representation to Republican House Speaker Newt Gingrich and the conservative Washington Legal Foundation as a private attorney.

For example, Mr. Schmitz has improperly minimized the significance of Halliburton’s overcharges to U.S. taxpayers under contracts for work in Iraq. In July 2004, he stated: “I haven’t seen any real deliberate gouging of the American taxpayer, but we are looking.”²² Mr. Schmitz’s assertion conflicts with audits by the Defense Contract Audit Agency that found numerous specific instances of overcharging by Halliburton, including a \$61 million overcharge for gasoline imported from Kuwait.²³ It also conflicts with congressional testimony from

²⁰ Letter from Reps. Henry A. Waxman, John D. Dingell, Charles B. Rangel, Pete Stark, and Sherrod Brown to Dara Corrigan, Acting Principal Deputy Inspector General, HHS (July 15, 2004).

²¹ *Id.*

²² *IRAQ: Pentagon Official Sees No Gouging*, Houston Chronicle, (July 2, 2004).

²³ *See, e.g.*, DOD News Briefing (Dec. 11, 2003) (reporting that Halliburton overcharged to import gasoline into Iraq from Kuwait by \$61 million through September 30, 2003). *See also* Defense Contract Audit Agency, *Audit Report No. 3311-2004K24020001* (Dec. 31, 2003) (finding significant deficiencies in Halliburton’s cost estimating system); Defense Contract Audit Agency, *Status of Brown & Root Services (BRS) Estimating System Internal Controls* (Jan. 13, 2004) (recommending contacting DCAA before entering into future negotiations with Halliburton); Defense Contract Audit Agency, *Audit Report No.*

multiple former Halliburton employees who provided documentation of widespread inflated charges by Halliburton.²⁴

In another example, Mr. Schmitz made statements that exonerated senior Pentagon leaders from responsibility for the abuses at Abu Ghraib. After returning from a week-long visit to Iraq in June 2004, Mr. Schmitz stated that abuses at the Abu Ghraib prison appeared to be the fault of a few “bad eggs.”²⁵ Although he did not conduct any substantive investigation of the abuses, Mr. Schmitz stated that he was not “aware of any illegal orders that came from any leaders.”²⁶

In addition to Mr. Schmitz, who serves as IG for the entire Department of Defense, each of the service branches has its own IG, who is appointed by the head of that military service. The independence and objectivity of one of these IGs, the Inspector General of the Army, Lieutenant General Paul Mikolashek, has also been questioned. General Mikolashek issued a report in July 2004 on the prison abuses at Abu Ghraib, concluding that senior officers were not at fault for the abuses. According to the report, the abuses were “unauthorized actions taken by a few individuals.”²⁷

These statements were subsequently contradicted by an independent panel headed by former Defense Secretary James R. Schlesinger, which faulted the Pentagon’s top civilian and military leadership for allowing the conditions that led to the abuse at the Iraq prison.²⁸ The findings were also contradicted by a subsequent report by Generals Anthony Jones and George Fay, which criticized senior military officers for “lack of oversight at the facility, failing to respond in a timely manner to reports from the International Committee of the Red Cross, and for issuing policy memos that failed to provide clear, consistent guidance.”²⁹

3311-2002K11010001 (May 13, 2004) (identifying several deficiencies in Halliburton’s billing system and subcontract management).

²⁴ See House Committee on Government Reform, *Hearings on Contracting and Rebuilding of Iraq: Part IV* (July 22, 2004); Senate Democratic Policy Committee, *Hearings on Contracting Abuses in Iraq* (Sept. 10, 2004); Senate Democratic Policy Committee, *Hearings on Iraq Contracting Abuses* (Feb. 13, 2004).

²⁵ *Pentagon Inspector General Says Prisoner Abuse in Iraq Done by ‘Bad Eggs’ in Lower Ranks*, Associated Press (June 25, 2004).

²⁶ *Id.*

²⁷ Department of the Army Inspector General, *Detainee Operations Inspection* (July 21, 2004).

²⁸ Department of Defense, *Final Report of the Independent Panel to Review DOD Detention Operations* (Aug. 23, 2004).

²⁹ Department of the Army, *Investigation of Intelligence Activities at Abu Ghraib* (Aug. 25, 2004).

IV. CONCLUSION

Inspectors General serve a critical oversight function: investigating and preventing waste, fraud, and abuse in executive branch agencies. To ensure their independence, the Inspector General Act of 1978 specifically mandates that the President appoint IGs without regard to political affiliation. Yet despite these requirements, IG appointments have become increasingly politicized under President Bush. Whereas most of the IGs appointed by President Clinton had previously held positions as nonpartisan auditors and few had had prior political experience, approximately two-thirds of the IGs appointed by President Bush had prior political experience and fewer than one-fifth had prior audit experience. This growing politicization of IGs threatens public confidence in the independence and objectivity of the Inspectors General.

APPENDIX: EXPERIENCE OF INSPECTORS GENERAL UNDER PRESIDENTS BUSH AND CLINTON

The following list includes all Inspectors General (IGs) appointed by Presidents Bush and Clinton under the Inspector General Act. For each IG, the list shows White House, political, and audit experience. For the purposes of the report, “political experience” means having worked in the White House, having held a political position in a federal agency (except in an IG office), having worked for a member or committee of Congress, having run for federal office, having worked for the Democratic National Committee or Republican National Committee, or having held a political position in state government for either President Bush or President Clinton when they served as governors. For the purposes of this report, “audit experience” means employment in an IG office, at the Government Accountability Office (GAO), or with a private accounting firm.

BUSH APPOINTEES

Robert W. Cobb (IG, National Aeronautics and Space Administration)

White House Experience: Associate Counsel to the President (2001–2002)

Other Political Experience: none

Audit Experience: none

Harold Damelin (IG, Small Business Administration)

White House Experience: none

Other Political Experience: Staff Director and Chief Counsel for Senate Governmental Affairs Permanent Subcommittee on Investigations and Senior Counsel for Senate Governmental Affairs Committee (1995–1997)

Audit Experience: none

Kenneth M. Donohue, Sr. (IG, Dept. of Housing and Urban Development)

White House Experience: none

Other Political Experience: none

Audit Experience: none

Clark Kent Ervin (IG, Department of Homeland Security) (former IG, Department of State)

White House Experience: Associate Director of Policy, White House Office of National Service (1989–1991)

Other Political Experience: Office of Attorney General of Texas, including Deputy Attorney General, General Counsel, and Director of Administration (1999–2001); Assistant Secretary of State of Texas (1995–1999); ran for Congress in the 29th District of Texas, won Republican primary, lost general election (1992)

Audit Experience: none

Phyllis Fong (IG, U.S. Department of Agriculture)

White House Experience: none

Other Political Experience: none

Audit Experience: Inspector General, Small Business Administration (1999–2002); Office of Inspector General, Small Business Administration (1983–1999), including Assistant Inspector General for Management and Legal Counsel (1994–1999) and Assistant Inspector General for Management and Policy (1988–1994)

J. Russell George (IG, Corporation for National and Community Service)

White House Experience: Associate Director for Policy, White House Office of National Service (1991–1993); Assistant General Counsel, Office of Management and Budget (1990–1991)

Other Political Experience: Staff Director and Chief Counsel, House Committee on Government Reform, Subcommittee on Government Efficiency and Financial Management (1995–2002)

Audit Experience: none

John P. Higgins, Jr. (IG, Department of Education)

White House Experience: none

Other Political Experience: none

Audit Experience: Deputy Inspector General, Department of Education (1996–2002); Office of Inspector General, Department of Education (1980–1996); Health Education Welfare Audit Agency (1968–1980)

Daniel Levinson (former IG, General Services Administration) (recently nominated IG, Department of Health and Human Services)

White House Experience: none

Other Political Experience: Chief of Staff and Counsel to Congressman Bob Barr (1995–1998); Chairman of the U.S. Merit Systems Protection Board (1986–1993)

Audit Experience: none

Richard W. Moore (IG, Tennessee Valley Authority)

White House Experience: none

Other Political Experience: none

Audit Experience: none

Janet Rehnquist (former IG, Department of Health and Human Services)

White House Experience: Associate Counsel to the President (1990–1993)

Other Political Experience: Counsel, Senate Governmental Affairs Permanent Subcommittee on Investigations (1989)

Audit Experience: none

Joseph Schmitz (IG, Department of Defense)

White House Experience: none

Other Political Experience: Special Assistant in the Office of Attorney General Edwin Meese (1987)

Audit Experience: none

CLINTON APPOINTEES

Hubert T. Bell, Jr. (IG, U.S. Nuclear Regulatory Commission)

White House Experience: none

Other Political Experience: none

Audit Experience: none

Marian C. Bennett (former IG, U.S. Information Agency)

White House Experience: none

Other Political Experience: none

Audit Experience: Office of Inspector General, Department of Energy (1981–1983, 1987–1993), including Executive Assistant to Deputy Inspector General and Senior Attorney

Thomas Bloom (former IG, Department of Education)

White House Experience: none

Other Political Experience: CFO and Assistant Secretary for Administration, Commerce Department (1993–1995)

Audit Experience: Partner, Kenneth Leventhal & Co. (1988–1993); Leventhal & Horwath (1984–1985)

Eljay Bowron (former IG, Department of Interior)

White House Experience: none

Other Political Experience: none

Audit Experience: Assistant Comptroller General, Office of Special Investigations, General Accounting Office (1997–1998); Deputy Inspector General, Office of Inspector General, Social Security Administration (1997)

Michael Bromwich (former IG, Department of Justice)

White House Experience: none

Other Political Experience: Assistant to the Attorney General (1993–1994)

Audit Experience: none

Earl E. Devaney (IG, Department of Interior)

White House Experience: none

Other Political Experience: none

Audit Experience: none

Martin J. Dickman (IG, Railroad Retirement Board)

White House Experience: none

Other Political Experience: none

Audit Experience: none

Glenn A. Fine (IG, Department of Justice)

White House Experience: none

Other Political Experience: Counsel, Senate Labor and Human Resources Committee

Audit Experience: Office of Inspector General, Department of Justice (1995–2000), including Director of OIG’s Special Investigations and Review Unit (1996) and Special Counsel to the IG (1995)

Phyllis Fong (former IG, Small Business Administration; currently Bush appointee to U.S. Department of Agriculture)

White House Experience: none

Other Political Experience: none

Audit Experience: Inspector General, Small Business Administration (1999–2002); Office of Inspector General, Small Business Administration (1983–1999), including Assistant Inspector General for Management and Legal Counsel (1994–1999) and Assistant Inspector General for Management and Policy (1988–1994)

Johnnie Frazier (IG, Department of Commerce)

White House Experience: none

Other Political Experience: none

Audit Experience: Office of Inspector General, Department of Commerce (1978–1999), including Acting Inspector General (1998–1999) and Assistant Inspector General for Inspections and Program Evaluations (1994–1998)

Gregory H. Friedman (IG, Department of Energy)

White House Experience: none

Other Political Experience: none

Audit Experience: Office of Inspector General, Department of Energy (1982–1998), including Acting Inspector General (1998), Principal Deputy Inspector General (1997–1998), Deputy Inspector General for Audit Services (1994–1997), and Deputy Assistant IG for Audit Operations (1985–1994)

Susan Gaffney (former IG, Department of Housing and Urban Development)

White House Experience: none in a Democratic Administration*

Other Political Experience: none

Audit Experience: Deputy Inspector General, General Services Administration (1987–1990); Assistant Inspector General for Policy, Plans, and Management, Office of Inspector General, General Services Administration (1982–1987); Director of Policy, Plans, and Programs, Office of Inspector General, U.S. Agency for International Development (1979–1982)

Gaston L. Gianni, Jr. (IG, Federal Deposit Insurance Corporation)

White House Experience: none

Other Political Experience: none

Audit Experience: General Accounting Office (1964–1996), including Associate Director, Government Business Operatives/Resolution Trust Corporation Issues (1990–1996)

* Ms. Gaffney did serve as Acting Assistant Director of the Financial Management Division and Chief of the Management Integrity Branch of the Office of Management and Budget, but she assumed these positions during the administration of President George H.W. Bush and they are not counted here.

June Gibbs Brown (former IG, Department of Health and Human Services)

White House Experience: none

Other Political Experience: none

Audit Experience: Inspector General, Navy's Pacific Fleet (1991–1993); Deputy Inspector General, Navy's Pacific Fleet (1989–1991); Inspector General, Department of Defense (1987–1989); Inspector General, National Aeronautics and Space Administration (1981–1985); Inspector General, Department of Interior (1979–1981)

Richard Griffin (IG, Department of Veterans Affairs)

White House Experience: none

Other Political Experience: none

Audit Experience: none

Roberta Gross (former IG, National Aeronautics and Space Administration)

White House Experience: none

Other Political Experience: none

Audit Experience: Office of Inspector General, Amtrak, including Director of Investigations and Senior Counsel (1990–1995); Acting Inspector General, National Archives and Record Administration (1993)

Gordon S. Heddell (IG, Department of Labor)

White House Experience: none

Other Political Experience: none

Audit Experience: none

Eleanor Hill (former IG, Department of Defense)

White House Experience: none

Other Political Experience: U.S. Senate Governmental Affairs Committee Permanent Subcommittee on Investigations, including Chief Counsel to minority (1995), Chief Counsel and Staff Director (1987–1995), Chief Counsel to minority (1982–1986), and Assistant Counsel (1980–1982); Special Counsel to Senator Nunn (1987)

Audit Experience: none

James G. Huse, Jr. (former IG, Social Security Administration)

White House Experience: none

Other Political Experience: none

Audit Experience: Office of Inspector General, Social Security Administration (1996–1998), including Acting Inspector General, Deputy Inspector General, Assistant Inspector General for Investigations

Luise S. Jordan (former IG, Corporation for National and Community Service)

White House Experience: none

Other Political Experience: none

Audit Experience: Assistant Director in Financial Audit Group, General Accounting Office (1976–1977, 1984–1991); Senior Manager, Office of Government Services, Price Waterhouse; Senior Auditor, Deloitte & Touche

Valerie Lau (former IG, Department of Treasury)

White House Experience: none

Other Political Experience: Director of Policy, Office of Personnel and Management (1993–1994); consultant at Democratic National Committee job counseling center (1993)

Audit Experience: Senior Evaluator, General Accounting Office (1980–1989)

Lorraine Pratte Lewis (former IG, Department of Education)

White House Experience: none

Other Political Experience: General Counsel, Office of Personnel and Management (1993–1999); Senate Governmental Affairs Committee, including General Counsel, Counsel, and Assistant Counsel (1987–1993)

Audit Experience: none

Wilma Lewis (former IG, Department of Interior)

White House Experience: none

Other Political Experience: Associate Solicitor, Division of General Law, Office of the Solicitor, Department of Interior (1993–1995)

Audit Experience: none

Charles C. Masten (former IG, Department of Labor)

White House Experience: none

Other Political Experience: none

Audit Experience: Deputy Inspector General, Labor Department (1991–1993)

Kenneth Mead (IG, Department of Transportation)

White House Experience: none

Other Political Experience: none

Audit Experience: General Accounting Office (1975–1997), including Deputy Assistant Comptroller General for Policy (1996–1997) and Director of Transportation Issues (1987–1995)

Everett L. Mosley (IG, U.S. Agency for International Development)

White House Experience: none

Other Political Experience: none

Audit Experience: Deputy Inspector General, U.S. Agency for International Development (1994–2000); Office of Inspector General, U.S. Department of Agriculture (1969–1994), including Deputy Assistant Inspector General for Audit (1988–1994), and Regional Inspector General for Audit (1980–1988)

George J. Opfer (former IG, Federal Emergency Management Agency)

White House Experience: none

Other Political Experience: none

Audit Experience: none

Jeffrey Rush, Jr. (former IG, Department of Treasury and U.S. Agency for International Development)

White House Experience: none

Other Political Experience: none

Audit Experience: Deputy Assistant Inspector General for Investigations, Office of Inspector General, U.S. Department of Agriculture (1994); Acting Inspector General of Peace Corps (1993–1994); Office of Inspector General, U.S. Department of Agriculture (1971–1993), including Deputy Inspector General for Investigations (1983–1993)

Nikki Tinsley (IG, Environmental Protection Agency)

White House Experience: none

Other Political Experience: none

Audit Experience: Office of Inspector General, Environmental Protection Agency (1990–1997), including Acting Inspector General (1997) and Deputy Inspector General (1995–1996); General Accounting Office, Auditor Evaluator (1976–1982)

Roger C. Viadero (former IG, U.S. Department of Agriculture)

White House Experience: none

Other Political Experience: none

Audit Experience: none

Jacquelyn L. Williams-Bridgers (former IG, Department of State)

White House Experience: none

Other Political Experience: none

Audit Experience: General Accounting Office (1978–1982, 1985–1995); Office of Inspector General, Department of Housing and Urban Development (1983–1984)

David C. Williams (former Treasury IG for Tax Administration, Social Security Administration, Department of Treasury)

White House Experience: none

Other Political Experience: none

Audit Experience: Inspector General, Nuclear Regulatory Commission (1989–1995); Director of Special Investigations, General Accounting Office (1986–1989)