

Public procurement used for political purposes in the United States

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Credit: Michael Schofield, Unsplash

In the United States, politically appointed officials make decisions on the procurement of goods and services from the public purse that benefit the incumbent president. New research from the University of Gothenburg now shows that the more politicized an administration is, the more often public procurement is used to favor companies for political reasons.

Every year the US [government](#) buys goods and services from suppliers external to the public sector for about a quarter of the entire national

budget. Not only does the way this money is used affect the quality of the service provided by the US government, in some instances the funds are also used in ways that benefit the incumbent president and his party. According to some estimates, as many as 6,000 politically appointed officials hold strategically important posts within the federal [administration](#) such as bureau chief, division head, or assistant secretary for administration.

"The incumbent administration sometimes uses public procurement to make tactical purchases. The and his staff may, for example, wish to steer purchasing towards companies in states where the president's party is in particular need of political support. In those instances, the incumbent administration relies on politically appointed officials with influence over procurement decisions to get what they want," says Carl Dahlström, Professor of Political Science.

570,000 contracts have been analyzed

Together with research colleagues at Vanderbilt University in the United States and the Central European University in Austria, he analyzed data on procurements by the US federal government between 2003 and 2015. They had access to information on all contracts entered into between the [federal government](#) and external parties with a value exceeding USD 25,000—all in all a total of 2.1 million such contracts, nearly 570,000 of which were analyzed as part of the study.

The study's findings show a higher probability that there are contracts indicative of government agencies favoring certain companies when it comes to administrations that the White House has direct influence over, which are primarily department-wide offices in executive departments.

"The most politicized government agencies also more frequently carry out non-competitive procurements in battleground states where political

support for the president is particularly important, while the government agencies over which the president has far less control—called independent commissions—do not do this."

The study also observed that there is a greater turnover of companies that get federal contracts after a change in president, but once again only amongst those companies contracted by the more politicized government agencies.

The whistleblower Rick Bright fits into a larger pattern

An example of how this works was recently exposed by Dr. Rick Bright, who was employed by the Biomedical Advanced Research and Development Authority (BARDA), a unit within the Department of Health and Human Services (HHS). In May 2020, during the ongoing COVID-19 pandemic, Dr. Bright blew the whistle suggesting that he and his colleagues were pressurized by their managers to award lucrative contracts to companies with political contacts. He claimed that his politically appointed managers attempted to influence Dr. Bright and his colleagues to let politics instead of scientific assessments drive decisions in their projects. Dr. Bright was ousted for speaking up against this practice.

The study shows that Dr. Bright's story fits into a larger pattern. The researchers concluded that the politicization of government agencies needs limiting.

"If managers of [government agencies](#) apply political instead of professional criteria, procurements will be characterized by party politics. But if the government agency has an organization designed to limit the influence of politically appointed officials on procurement

decisions, then politically motivated favoritism is instead reduced," says Carl Dahlström.

More information: Carl Dahlström et al, Partisan Procurement: Contracting with the United States Federal Government, 2003–2015, *American Journal of Political Science* (2020). [DOI: 10.1111/ajps.12574](https://doi.org/10.1111/ajps.12574)

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