

DOGE-WATCH

Dear FCCR Community,

less bureaucracy and more efficiency in the work of public administrations are on the agenda in all modern industrialized countries. We are currently seeing particularly radical changes in the USA. President Trump and his advisor Elon Musk want to fundamentally change the ever-growing bureaucracy in the US, which they see as an existential threat to their country. Whether successful or not, this process will shape the discussion about administrative structures.

The **Frankfurt Center for German and Global Regulation (FCCR)** is pleased to announce that in addition to our [quarterly FCCR Newsletter](#), we now have a [regular DOGE WATCH](#) newsletter. This new venture is designed to provide you with additional insights and information. To keep up to date, we recommend that you subscribe to both newsletters. That way you won't miss any important updates and news. We will do this together with regulatory experts in the US and Europe. We will prepare this information together with our colleagues in the USA. Anyone who receives this **DOGE-WATCH Newsletter** can be sure that they are always up-to-date. This is important for all those who have economic interests in the USA, but also for all those who are interested in the experiences of this certainly unusual process. **You can subscribe to the [DOGE-WATCH Newsletter here](#)**

I. The "Department of Government Efficiency" (DOGE) was created by US President Donald Trump on the day of his inauguration. In the Executive Order. [Link to document](#)

The former "United States Digital Service" will be renamed "United States DOGE Service (USDS)" and will be located in the Office of the President. A USDS-Administrator will be established in the executive branch and will be part of the White House staff. In this agency, a temporary organization known as "the USA DOGE Service Temporary Organisation" will be established. The "USA DOGE Service Temporary Organization" is managed by the USDS and is expected to complete its work in 18 months.

DOGE teams have been set up very quickly in all US federal agencies, which are given considerable tasks and competences. Each DOGE team consists of at least the DOGE Team Lead, an engineer, a human resources specialist, and a lawyer. The heads of the federal authorities are obliged to work closely with these teams.

II. In another Presidential Order, dated 19. February 2025, details of the working methods of the new agency are now described for the first time. [Link to document](#). This document sets out for the first time concrete criteria for the selection of the rules to be reviewed and, if necessary, abolished.

Quote: "Agency heads shall, in coordination with their DOGE Team Leads and the Director of the Office of Management and Budget, initiate a process to review all regulations subject to their sole or joint jurisdiction for consistency with law and Administration policy. Within 60 days of the date of this order, agency heads shall, in consultation with the Attorney General as appropriate, identify the following classes of regulations:

- (i) unconstitutional regulations and regulations that raise serious constitutional difficulties, such as exceeding the scope of the power vested in the Federal Government by the Constitution;
- (ii) regulations that are based on unlawful delegations of legislative power;
- (iii) regulations that are based on anything other than the best reading of the underlying statutory authority or prohibition;
- (iv) regulations that implicate matters of social, political, or economic significance that are not authorized by clear statutory authority;
- (v) regulations that impose significant costs upon private parties that are not outweighed by public benefits;
- (vi) regulations that harm the national interest in significantly and unjustifiably impeding technological innovation, infrastructure development, disaster response, inflation reduction, research and development, economic development, energy production, land use, and foreign policy objectives; and
- (vii) regulations that impose undue burdens on small business and impede private enterprise and entrepreneurship. Within 60 days of the date of this order, agency heads shall provide to the Administrator of the Office of Information and Regulatory Affairs (OIRA) within the Office of Management and Budget a list of all regulations identified by class as listed in subsection (a) of this section."

III. But in addition to the general reviews, it is also about the closure of numerous, according to the US president's assessments "superfluous institutions and bodies", which he closes with another order with immediate effect. [Link to document](#)

IV. Please see also our "DOGE WATCH Podcast Nr.1" with our distinguished colleague Patrick McLaughlin. Patrick McLaughlin is a Research Fellow at the Hoover Institution at Stanford University. His work focuses on the economics of regulation and deregulation, and he is widely recognized as one of the world's leaders in quantifying regulation and estimating its effects on economic growth. He is also an expert on the regulatory process in the United States, and his ideas on improving the regulatory process have been implemented in ten US States so far. Patrick is a Affiliated Member of FCCR. He will continuously comment on the DOGE-Project on this Podcast.

This is "DOGE WATCH Podcast Nr.1":

- **Actionable Step:** We invite you to watch the full discussion here and reflect on these developments with us. Your insights and feedback are crucial as we continue to explore these critical issues.



- Key Takeaways from This Episode:

1. **The Role of DOGE in Government Efficiency:** Patrick elaborates on DOGE's strategic focus, led by Elon Musk, aimed at improving fiscal efficiency and reducing the federal deficit significantly.
2. **Federal Employment Dynamics:** Understand the rapid changes in job structures within the federal workforce, transitioning towards 'at will' employment, potentially restructuring long-standing employee protections.
3. **Mechanisms of Deregulation:** Gain insight into the intricate procedures involved in deregulating, including compliance with the Administrative Procedure Act, underscoring the complexity of such initiatives.
4. **Introduction of the 10-for-1 Executive Order:** Explore the administration's aggressive new strategy intending to eliminate a broad array of regulatory documents, amplifying the scale of deregulatory

activities.

5. **State vs. Federal Regulatory Landscapes:** Learn about the increasing divergence in regulatory approaches between state and federal levels, and what this means for business operations across the United States.

- **Interesting Fact:** The episode highlights the oft-overlooked power of guidance documents previously deemed non-binding. Their potential to function as de facto regulations is significant, influencing compliance landscapes.

We believe this session will be invaluable for those aiming to navigate or understand the evolving regulatory environment in the United States.

Thank you for your continued engagement with our content. We look forward to further discussions that will deepen your understanding and inform your strategic considerations.

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