



The Deep State is Deeper Than We Thought

“Thank God for the deep state,” former Central Intelligence Agency (CIA) acting director John McLaughlin told CBS News correspondent Margaret Brennan at a George Mason University event in 2019.¹

McLaughlin’s praise for the deep state came in response to a question from Brennan, who as moderator asked him about what he thought of President Trump’s complaint of a “deep state” following a CIA whistleblower’s claim that Trump, in a phone call to Ukraine’s president Volodymyr Zelensky, threatened to withhold funding to Ukraine unless Hunter Biden’s oil dealings in the country were investigated. The whistleblower’s accusation launched a U.S. House impeachment inquiry during Trump’s first presidential term. McLaughlin’s reply was intended to be witty. The audience in attendance at the George Mason University event laughed and applauded McLaughlin’s wit.

In the audience was acting director of the Federal Bureau of Investigation (FBI) Andrew McCabe, who was fired by Attorney General Jeff Sessions after a Department of Justice Inspector General reported that McCabe had improperly authorized releases of information to the *Wall Street Journal* about an investigation into the Clinton Foundation and had misled FBI agents under oath about his actions. Later the Biden administration made a sweetheart settlement with McCabe to allow him to keep his government pension. Also attending the event was former CIA Director John Brennan, who would shortly join 50 other former intelligence officials to misleadingly link Hunter Biden’s infamous laptop to a Russian disinformation campaign.

In 2019, McLaughlin, McCabe, Brennan and FBI Director James Comey were the face of the deep state. When conservatives spoke of the “deep state,” they seemed to be pointing to a few high-level federal bureaucrats who were supported by Democratic Party opportunists such as House Speaker Nancy Pelosi, anti-Trump grassroots activists, and the legacy media talking heads who were thought to be manipulated by these few deep state actors. Somehow the

deep state was only about anti-Trump sentiment, also known as Trump Derangement Syndrome.

Few people in 2019 realized just how deep the deep state really was. At the time, those who thought the deep state permeated the federal bureaucracy and a large network in the private sector were generally dismissed as right-wing conspiracy nuts.

A 2025 Awakening

Fast-forward to 2025. Today, daily revelations coming out of the Trump White House and his Department of Government Efficiency (DOGE) headed by Elon Musk show that the deep state indeed exists and is deeper and more extensive than we ever thought. This deep state is a network of government bureaucrats—both senior executives and low-level civil servants—conjoined with non-profit activist organizations, philanthropic foundations, politicians and media outlets that pursue a left-wing agenda. This agenda includes green energy, open borders, diversity, equity and inclusion (DEI) regulations, and training in the military, schools and workplace.

The deep state works like this: Federal agencies promote their own left-wing agenda by issuing regulations and overseeing compliance. These agencies award grants and contracts to activist groups, organizations and corporations to buttress the same agenda, sometimes through social media and other media outlets. Sometimes the grants or contracts go to philanthropic foundations that act as intermediaries between the federal agencies and the ultimate recipients.

The revelations coming out of DOGE and newly appointed cabinet and agency officials show just the tip of the iceberg of government waste and abuse that occurred in the Biden administration and previous administrations. Expect more to come. A full catalog of this waste and abuse already fills pages and has been difficult for average Americans to fully track.

What we know so far is that *the number of people who get paid from the U.S. Treasury but work for private businesses and nonprofits is more than three times as large as the entire on-payroll federal civil workforce.*²

Outlandish Waste

Examples of the myriad flagrant abuses of federal funds include the following:

The twice-failed Georgia Democratic gubernatorial candidate and political activist Stacey Abrams received a mammoth \$2 billion grant from the Environmental Protection Agency (EPA) for her organization Power Forward Communities. This grant was to help disadvantaged minorities purchase more-efficient home appliances and upgrade their homes. The year before the grant, Power Forward Communities had annual revenue of \$100. Included in the EPA grant was a million dollars for budget training. The non-governmental organization was so unqualified that the grant agreement required it to complete “How to Develop a Budget” training within 90 days of receiving the grant.³

Shortly after the Abrams grift was revealed, the Department of Education announced it was cutting almost \$900 million of grants to a federal agency, the Institute of Education Sciences, to track the progress of student learning from kindergarten through high school; to perform a study evaluating strategy for teaching reading; and to do research on the effectiveness of supports for youth with disabilities. Other contracts included \$1.5 million to a contractor to “observe mailing and clerical operations” at a mail center. Another 29 grants totaling \$101 million were made for DEI training.⁴ All in all, 169 contracts have been canceled for this federal agency.

Before Trump took office this year, the annual budget of the Department of Education was around \$268 billion, with more than 60 percent going to higher education and not K-12 schools. *After 45 years of the department's existence, American students ranked only 36th in the world for math scores and 13th for reading.*⁵

Trump has repeatedly pledged to eliminate the Department of Education. The department was created by an act of Congress under the Jimmy Carter administration. Legislation by Congress will be necessary to fully eliminate the department. It is highly unlikely that the current Senate, with a small Republican majority, could find the 60 votes necessary to abolish this department. Without waiting for legislation, the Trump administration is acting by sharply

cutting the department's workforce. In early March, the Department of Education announced that more than 1,300 employees (nearly half) were being laid off. Another 600 employees accepted separation packages.

The Trump administration is also setting its sights on higher education, specifically DEI programs, grants, hiring practices and the toleration of antisemitism on campus and in the classroom.⁶ The administration's actions have placed American universities on the defensive, with many universities announcing hiring freezes.

This is a good start, but further steps need to be taken to review and reform education regulations and compliance practices. A considerable chunk of the cost of U.S. education results from the administrative overhead of compliance with mandates imposed by Washington, DC. Federal deregulation will do much to free schools and universities to spend their funds on improving student education. We do not need more reports on “disparate impacts” of student suspensions or expulsions, but more progress in making sure Johnny (and Sally) can read and calculate. U.S. education should be returned to the states and parents.

DOD Takes Aim at DEI

The Department of Defense, under its new Secretary Pete Hegseth, working with DOGE, slashed what could be up to \$80 million for DEI programs. Included in these cuts were a \$1.9 million grant for “holistic” DEI transformation and training in the Air Force and a \$6 million grant to the University of Montana to “strengthen American democracy by bridging divides.” Other grants included \$1.6 million to the University of Florida to study the social and institutional detriments to fighting climate change in North Africa.⁷ At the same time, Hegseth announced that his department would dismantle the Office of Net Assessment, a Pentagon think tank heavily involved in the Trump-Russia collusion investigation under Biden.⁸

Expect Hegseth to continue to announce further and major cuts in DEI training and programs within the military. He pledged that “the DEI, the woke, the climate change BS, is not the core of our mission” and will be eliminated.⁹

The U.S. Agency for International Development (USAID), housed in the State Department, has garnered perhaps the most attention for its wasteful and corrupt spending. After DOGE determined that the agency had wasted millions of dollars funding indefensible initiatives around the world,

including *transgender programs in other countries*, Secretary of State Marco Rubio announced in late February that thousands of agency employees were being let go and had to clear out their offices. Nearly 1,600 USAID employees were placed on administrative leave globally. Only 300 staffers were left in the agency.¹⁰

The Trump administration's focus on stopping illegal immigration will likely result in substantial cuts to the billions of dollars of federal money that flowed during the Biden administration to non-governmental organizations (NGOs) such as Catholic Charities to resettle illegal aliens. The Department of Homeland Security and the Federal Emergency Management Agency have been major funders of NGOs for this purpose, even though supporting illegal immigrants should not fall within the mission of those agencies.

An Avalanche of Lawsuits

Dismissed government employees in federal departments and agencies are fighting back. Numerous lawsuits have been filed by activist attorneys, public sector unions, some state attorneys general and activist organizations to ask the courts to stop these firings. A few federal judges have issued restraining orders and stays to prevent the Trump administration from reducing the federal workforce, including the USAID force reduction mentioned earlier. Ultimately, the Supreme Court will be asked to step in to decide whether a duly elected president, the chief executive of the federal government, has the prerogative to save the government money by reducing its workforce.

The legacy news media have cast these reductions as a sledgehammer approach to government waste. Dismissed government employees have been put on the air, weeping and lamenting that their service to the nation has been callously dismissed. Headlines wail that these cuts will lead to epidemics of tuberculosis, AIDS, and starving or dying children in Africa and Southeast Asia.

At the moment, DOGE and the Trump administration continue to have the support of the American public. People voted for Trump with the expectation that the deeply indebted federal government needs to be scaled back. Yet the mainstream media know from long experience that pulling on heartstrings often works.

What is undeniable is that the federal bureaucracy has been shockingly politicized over time. The bureaucrats are overwhelmingly Democrats. They have remained

Democratic through Republican administrations going back at least to Richard Nixon.

Non-Partisan Sources Decry Waste

Government waste and the politicization of the bureaucracy are not merely a surmise or a rhetorical accusation on the part of the Trump administration for partisan gain. Shortly before the election, Brookings Institution fellow John J. DiIulio Jr. reported that an estimated *\$2.7 trillion in improper payments have been made by federal executive agencies between 2003 and 2023*.¹¹ DiIulio shows further that the real deep state is the contractor state, benefiting mega-corporations, state and local government leaders and taxpayer-subsidized nonprofit organizations, as well as career politicians in both parties.

The deep state steers funding through a maze of federal programs. The biggest contracts go to the military-industrial complex, but DiIulio points out that non-profit organizations registered with the Internal Revenue Service receive about 30 percent of their more than \$2 trillion annual revenue from government grants and contracts.

In his report, DiIulio draws upon extensive research by scholars at the National Bureau of Economic Research, entitled "Ideology and Performance in Public Organizations."¹² The major takeaway from this study is that *both senior executive-level federal bureaucrats and rank-and-file civil servants are overwhelmingly Democratic voters*. These bureaucrats remain in office regardless of the political cycle. The authors also show that the political leanings of these bureaucrats affect their work, compliance oversight and grant-making.

DiIulio and the National Bureau of Economic Research scholars demonstrate that the deep state is deeply rooted. Reform cannot happen just through political appointments to the agencies. Real reform needs to begin with reducing the bureaucracy itself. DiIulio argues that legislation can begin to take back control and limit the deep state. Federal contractors and their senior executives should be required to disclose all their political donations and contributions to unions, trade associations and other organizations. Former employees of federal agencies, of the White House or of Congress should be barred from earning more than \$200,000 a year in total from any for-profit organization that receives more than half of its annual revenue from federal contracts.

For DiIulio's recommendations to make it out of Congress is highly improbable. Still, legislative reform is required,

and this can happen when voters say to their representatives in Congress that enough is enough. Voters must tell Congress they don't want to see the nation driven into bankruptcy.

While we await major legislative reforms, the Trump administration is taking the first step toward reform by reducing the federal workforce. Trump is not the first president to try to downsize the federal bureaucracy—Presidents Reagan, Clinton and Obama each took a shot at waste, fraud and abuse—but never has a president undertaken such dramatic reforms. We will find out in the next year or so just how successful Trump is in the process. The effort is long overdue.

¹ Mike Brest, "Thank God for the Deep State," *Washington Examiner*, November 1, 2019.

² <https://www.brookings.edu/articles/musk-and-ramaswamy-meet-the-real-deep-state/>.

³ <https://www.yahoo.com/news/stacey-abrams-slammed-defending-2-193718625.html>.

⁴ <https://apnews.com/article/ies-musk-doge-education-cuts-4461d7bdbe9d55c5a411d8465999b11>.

⁵ Michael Reagan, "The Department of Education has Finally Flunked Out," *The Daily News*, March 16, 2024.

⁶ https://nypost.com/2025/03/14/opinion/the-tide-has-turned-against-elite-universities-and-its-about-time/?utm_campaign=iphone_nyp&utm_source=mail_app;
https://nypost.com/2025/03/15/business/woke-elite-universities-are-now-facing-trumps-wrath-with-budget-cuts-scrapped-dei-policies/?utm_campaign=iphone_nyp&utm_source=mail_app.

⁷ <https://search.yahoo.com/search?fr=mcafee&type=E210US91211G0&p=Doge+initial+findings+on+Defense+Department+DEI+spending+could+save+80+millions>.

⁸ <https://www.msn.com/en-us/news/politics/dod-closes-think-tank-arm-marred-by-inefficiency-and-criticized-by-gop-for-ties-to-trump-russia-probe/ar-AAIAWea4>.

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⁹ See n. 6.

¹⁰ <https://nypost.com/2025/02/25/us-news/former-usaid-employees-given-15-minutes-to-collect-personal-belongings-from-dc-office/>.

¹¹ <https://www.brookings.edu/articles/musk-and-ramaswamy-meet-the-real-deep-state/>.

¹² <https://www.nber.org/papers/w28673>.

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