THE POLL OF THE RESEARCH BUREAUS

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Omitting the N. Y. Bureau of Municipal Research, Dr. Beard, who has defended the McCormick bill in the foregoing pages and the Institute of Government Research, Dr. Willoughby, who has defended the Good bill.

1. FOR THE GOOD BILL

FREDERICK P. GRUENBERG

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An outstanding feature of the McCormick proposal is the one that would take from the Treasury Department all organizations in it not having to do with finance, e.g., The U. S. Public Health Service, Coast Guard, Secret Service, etc. That these administrative units have no place in the financial department of the government would appear to be obvious, yet all of them have been under the treasury since their organization, and up until the creation of the Department of Commerce and Labor some years ago that department also had charge of immigration. This highly commendable feature of shearing the Treasury Department of these non-fiscal activities does not appear in the Good bill.

Reverting to the purely budget provisions, we find that the Good bill provides for the creation of a bureau of the budget in the office of the President, while the McCormick bill makes the Secretary of the Treasury a "Minister of Finance" whose function it will be to prepare the budget for the administration.

If the non-financial activities are to remain in the Treasury Department, it seems to me that the budget functions should without question be placed in the hands of an official directly under the President, but if the Treasury Department is made what it was

doubtless originally intended to be, the purely custodial and financial branch of the government, there is room for the view that it would make no vital difference whether the Secretary of the Treasury or an official under the President were the budget officer. The budget is so vast an undertaking and involves so much in the way of policy as well as mere dollars and cents, that the Good scheme would appear to be better. The arguments on this point are (1) continuous collation of information and material by a specialized staff free from administrative (line) duties, and (2) direct, instead of indirect, presidential responsibility. In either case, the President would ultimately be answerable to congress and to the nation, of course, for the work program and the financial program submitted in the administration's budget but the McCormick plan is less direct.

The main thing is that the principle should be recognized of having the executive responsible for initiating programs and that means be devised for eliminating "pork," overlapping, inefficient spending, and all similar forms of extravagance, waste and inefficiency. The experience of democracies has shown that the principle of having the administration answerable to the legislative body on a program

which it prepares and for which it assumes responsibility, is the one best calculated to secure effective and responsible government, and that we should so long continue ignoring this principle will be a matter of amazement to the historian and political scientist of the future.

2. FOR THE GOOD BILL

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Discussion of the McCormick-Good budget bills has turned largely on the question of whether the Department of the Treasury or the President should be responsible for the collection and preparation of departmental estimates for submission to congress.

It is argued by supporters of the McCormick measure that the Treasury Department is currently in possession of financial information and is equipped with collection machinery that would be needlessly duplicated by the creation of a budget bureau immediately subordinate to the President. It is also advanced that the President is too fully engaged with important affairs to be considered in the details of financing public activities.

However, the real purpose of a budget is not the mere estimating of available revenues, and their allocation to this or that object of expenditure, but is to determine public needs in the

order of their urgency and cast about for means of financing them. Obviously such a duty rests initially upon the President, who may recommend to congress through the budget the policies he believes of first importance. Certainly such a duty should not be exercised, even to the extent of advising the President, by the Treasury Department, coequal with the other departments. Incidentally, the President may find more time to consider estimates than is generally assumed.

In the end, however, probably either bill will provide the machine for producing a budget from the President's side. The most important question is not the relative merits of these two bills, but whether congress is going to prescribe budget making for the President and continue its own present practices, designed to undo any advantage obtained through the proposed legislation.

3. FOR THE GOOD BILL

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The vital consideration in the National budget debate is the needs of the country for a sound basis on which to determine the raising of revenues and the expenditure of those revenues to accomplish a program of work rather than the particular method through

which this budget system is to be accomplished. If the senate insists on making the matter a political football in order to insure no action, the house might better give in so far as the location of the budget bureau is concerned.