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

LENT D. UPSON

Detroit Bureau of Governmental Research

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

F. L. OLSON

Director, Bureau of Municipal Research, Minneapolis

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.

I still believe as firmly as before reading the McCormick bill and arguments upon it, that the budget bureau belongs in the President's office in charge of a person independent of any member of the President's cabinet. The only means by which the Secretary of the Treasury can be raised above the position of competitor with heads of other departments, is to clothe him with additional powers that would really make a new and very powerful position out of this cabinet office; a sort of minister of finance. The power should be so great as to make this position one of the most, if not the *most*, outstanding position in the official family of the President and in the influence of the administration.

However, the location of the budget bureau can be waived without stultifying oneself on the whole budget question, providing it can bring together those who are more concerned with political party prestige in having put

over the budget, than they are in the soundness of any particular theory of handling the budget problem. Hence, my position is this: I favor at present the Good bill, particularly because of its location of the budget bureau in the President's office. I am in hearty sympathy with the McCormick bill in its attempt to make the Secretary of the Treasury something greater than he is now (at least so I understand is the intention of that bill), but the primary thing to accomplish is a budget system with the intention of guaranteeing a financial program and holding someone responsible, not only for the program in its method of determination, but in the results accomplished under it. Therefore, if the two groups can waive disputed points and arrive at an agreement so that the country may assure itself of a budget system, I feel certain the public will support whatever decision they may arrive at with regard to the location of the Budget Bureau.

4. FOR THE GOOD BILL

R. E. MILES

Director, Ohio Institute for Public Efficiency

The real difference between the proposals of the McCormick and the Good bills, if thoroughly analyzed, goes deeper than mere administrative convenience. Two fundamental functions are involved: (1) the recommendation of governmental policy as far as reflected in budgetary proposals to be submitted for legislative action; (2) administrative supervision over the exercise of all functions of the executive branch of the government, under conditions approved by legislative action.

Discussion has been directed more to the former than to the latter. It has perhaps not been sufficiently empha-

sized (1) that both are essential to a budget system; (2) that the two functions are so closely related that they can best be exercised through the same medium or staff; and (3) that they are peculiarly the prerogatives of the chief executive as the head of the whole executive branch.

The President can, in my opinion, most successfully perform these functions, and can on the other hand be most successfully held responsible for their proper performance, if he is provided with an agency independent of all the great operating departments, completely under his control, and under a head who in effect should be