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Florence P. Dwyer

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CONGRESSWOMAN DWYER'S

REPORT TO THE PEOPLE

OF THE UNION-ESSEX SUBURBS



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NEEDED VIRTUES: ECONOMY AND EFFICIENCY

The struggle for economy and efficiency in the Federal Government must, of necessity, be a continuing one. Though it is often highly frustrating, it is absolutely essential -- whether one's primary concern is easing the strain on taxpayers or improving the quality and effectiveness of Government programs. For no valid public purpose has ever been served by waste, duplication, lack of coordination or the general carelessness in spending public money. Rather, these unhappy characteristics can only deprive useful programs of needed funds, limit the accomplishments of other potentially useful programs, and arouse understandable hostility toward Government activities in general, as well as rob private citizens of dollars for which they have more than enough good use.

Both the quality of government and the public interest, therefore, will be served by attending to matters of economy and efficiency and I believe that most of our people, whether they support or oppose a particular program, will appreciate this fact.

ONE GOOD AND ONE BAD

This rather general observation is prompted by a new bill I am introducing this week and an older bill that deserved (but narrowly avoided) being defeated last week. The most significant thing about the new bill is the fact that it had to be introduced at all, since its purpose is to force certain Executive Branch agencies to obey an 11-year old law, a law which requires agencies to modernize their accounting systems.

But it's inconceivable, I can hear you say, that a public enterprise spending substantially more than \$100 billion a year of the public's money should have to be forced to do an adequate job of accounting. And you are right. Yet, since 1956, despite numerous studies and reports by my Government Operations Committee, by individual Congressmen, and by the "watchdog" General Accounting Office (GAO) -- all of which documented the need for a more reliable and cost-revealing accounting system -- most Federal agencies have continued to disregard compliance with the law. In 1967, there are 173 agencies subject to the legal requirement that their accounting systems be approved by GAO but only 61 have been approved, and most of these are smaller agencies with smaller budgets. The big agencies with the big budgets and such big programs as defense, poverty, foreign aid, highways and housing do not have accounting systems which can effectively control their costs and provide for efficient management of their programs.

Because I agree that an up-to-date cost accounting system is, as the Comptroller General of the United States told our committee recently, "basic and fundamental to the whole operation of the Federal Government," the bill I have introduced would require the heads of Agencies to report to Congress on their progress in developing an approved cost accounting system, and it would prohibit agencies from using a new Administration budgeting procedure until such cost accounting systems have been approved.

BEFORE IT'S TOO LATE

In 1956, when the cost accounting requirement was adopted, Federal expenditures totalled \$66 billion and the public debt reached \$273 billion. This year, the budget is expected to rise to \$143 billion and the debt to exceed \$335 billion. How much longer, therefore, can we afford to do without the basic tools of financial management which will allow us to control spending, evaluate program results, and obtain the maximum return on our tax dollars?

The second bill to which I referred, which was passed last week when it should have been panned, is a useful example of a program which could have been eliminated -- if an effective accounting system had exposed its weaknesses and if a careful and consistent Congress had thought less of "pork" and more of prudence.

The bill was the Appalachian Regional Development Act Amendments of 1967. Enacted in 1965, over my opposition, the program was intended to help the hard-core, hill-country poor of the mid-Atlantic mountain regions. But it has fallen far short of its purpose. As I pointed out in my House speech during debate on the bill, I could find no justification for spending additional hundreds of millions of dollars on a program which has failed. Nor could I approve a program which has discriminated against New Jersey and most of the other States by providing preferential treatment, which duplicates other available assistance to poverty areas, not on the basis of need but of geographical location.

Here was the heart of my objection, as I expressed it in the House:

"In addition to being highly discriminatory, it has been wasteful, duplicating, and ineffective, and the pending bill proposes to proliferate these objectionable features. Instead of being limited to a region of similar economic characteristics and problems, it is proposed to expand it to embrace an area extending from Mississippi to upstate New York -- an area which includes many regions and many different economic problems.

"Though designated and justified as an anti-poverty program, its assistance goes as often as not to the region's more affluent parts. Rather than direct its aid to people who need help, the program has devoted the great bulk of its funds to the improvement of existing highways, thereby freeing conventional Federal and State highway funds for use outside the region. The net gain in the fight against poverty seems pretty close to zero."

AN ACCEPTABLE ALTERNATIVE

I concluded, "In my judgment, there are no circumstances which would justify legislation of this kind. But faced as we are with a terribly expensive war in Vietnam, with a proposed 10 percent income tax increase, with competing claims from superior programs for scarce resources, and with unmet needs in the real war against poverty, then we have no alternative but to defeat the present legislation."

Unhappily, the lure of Federal funds proved too great to resist, and a coalition of Members from Appalachian States, from non-Appalachian districts which were added to the program, and from other regions of the country which were promised similar gravy in the future, managed to put together a relatively narrow victory for the bill on a vote of 189 to 168.

As you can see, economy and efficiency are the tasks of both the Executive and the Legislative branches. Unless the Administration and the Congress each accept this responsibility, the job won't get done.

Postscript -- Many of my colleagues and I welcomed the President's speech in Kansas City last week in which he properly and vigorously castigated the violence-oriented extremists who "capitalized on the real grievances of the suffering people," incited the riots, and then fled the scene. He combined this condemnation with an equally necessary appeal for action on problems of the cities and their ghettos, for law enforcement that is swift and "colorblind," and for legislation regulating the sale of firearms. . . . About the time you read this report, a substantial number of my colleagues and I will be introducing a resolution designed to encourage greater Congressional participation in the making of policy decisions on Vietnam. Many of us hope Congress can become a stronger influence in foreign policy, and give greater voice to the concerns of the people we represent.