authorizations and new commitments, it is possible for expenditures to hold steady or even rise if they are made out of preexisting balances.

Evaluating progress. It is the belief of the writer that the failure to aggregate the current information on obligations is an important shortcoming of the budgetary process. It is an indication of the concentration on the minutia of detailed accounting rather than on the major trends and developments. Current reports on total government obligations incurred during a given period and amounts of outstanding obligations at the end of a period would provide a valuable indicator of the total progress being made on government programs.

The aggregation and publication of the detailed obligation data could also have an important "feedback" effect on the reliability of the data supplied for internal budgetary control purposes. Comparisons and analyses of the data supplied by the various agencies should reveal, to a greater extent than is possible under current procedures, any inconsistencies in interpreting what is an obligation or in reporting the status of the various kinds of accounts. Moreover, the requirement of publication ought to have a favorable effect on the quality of data presented as, hitherto, agency officials have known that the information they reported would not be made public.

Controlling expenditures. Many groups, private as well as governmental, have wrestled with the problem of how to control Federal spending effectively, with the particular view of reducing it. Unfortunately, most of the discussion has centered on expenditures *per se*. For example, the second Hoover Commission has urged emphasizing costs rather than obligations in order to better control government spending.[126] Expenditures are merely the completion of the spending process. If adequate controls are to be exercised over government spending, attention must be given to the early stages where expenditures are authorized and committed, rather than merely to the payments for goods and services already ordered and produced.

In a more general and philosophical discussion of what he terms "the structure of commitments," John Norton describes the perennial dilemma of the "budget cutter":

> Some past commitments project into, and limit, the present and future; of these some are irrevocable but others may be modified at a cost. Today's events are almost completely predetermined by choices made yesterday and before; nevertheless, a small area of free choice remains. As of any day, the opportunity for the exercise of free choice increases as we include more and more of the future within the compass of our decision making.[127]

An improved understanding of the operations of the Federal spending process on the part of those interested in curtailing government spending is necessary for the preparation of effective proposals to change the course of government spending. Mere exhortation, however well-intended, to reduce expenditures in a given year, may prove fruitless. Naive exponents of economy tend to be quickly dismissed by members of the Congress if they show themselves ignorant of governmental budget matters.

CONCLUDING REMARKS

It is a fundamental finding of this study that the variations in timing and impact of the various stages of the governmental spending

[126] U.S. Commission on Organization of the Executive Branch of the Government, *Budget and Accounting*, Washington, Government Printing Office, 1955, pp. 17–25.

[127] John D. Norton, "Research Required for the Application of Interindustry Economics" (in Conference on Research in Income of Wealth, vol. 18, Princeton, Princeton University Press, 1955), p. 210.