

## ECONOMY IN GOVERNMENT

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MONDAY, MAY 8, 1967

CONGRESS OF THE UNITED STATES,  
SUBCOMMITTEE ON ECONOMY IN GOVERNMENT,  
JOINT ECONOMIC COMMITTEE,  
*Washington, D.C.*

The subcommittee met at 10 a.m., pursuant to notice, in room S-407, the Capitol, Hon. William Proxmire (chairman of the subcommittee) presiding.

Present: Senators Proxmire, Sparkman, Symington, Jordan, and Percy; Representatives Patman, Curtis, and Rumsfeld.

Also present: John R. Stark, executive director, and Ray Ward, economic consultant.

Chairman PROXMIRE. The committee will be in order.

This is the first meeting of the Subcommittee on Economy in Government which was previously called the Subcommittee on Federal Procurement and Regulation.

In general, this year, we are continuing and expanding somewhat on the work of that subcommittee.

Specifically, we have asked our witnesses to testify upon the recommendations of our last report, dated May 1966.

We hope to complete this year's hearings in four morning sessions on May 8, 9, 10, and 16. If necessary, however, we will go over to afternoon sessions so principal witnesses may have ample time. The members of this subcommittee have long contended that our economic dilemma of high debts, taxes, and budgets on the one hand, and vital human needs on the other hand can be partly, if not wholly, solved by greater economy in Government. We are dedicating our efforts to this concept.

Our first witness this morning is the Honorable Elmer B. Staats, Comptroller General of the United States, who is well known to all of us from his long and notable service in the executive branch, particularly the Bureau of the Budget. Mr. Comptroller General, the committee is indebted to you and your staff for the excellent studies you have made in the past years. I have read your very fine prepared statement which includes material relevant to many important subjects we will wish to pursue so I will not impinge upon your time. I understand you will read the general section of your statement.

For the benefit of the members of the Subcommittee on Economy in Government, some of the reports which we requested of the GAO and which we have here today have not been checked with Pentagon staff merely because time has been too short.