

the cause of intergovernmental cooperation is accorded an occasional bow on ceremonial days, it is quickly forgotten under the pressure of the departmental mission that takes precedence on the 5th of July and the other 363 days of the year. The President's staff is all too overburdened with policy issues pressed for decision by departmental and agency heads kept under unrelenting pressure by their respective bureaucracies to have time for the problems of the federal system, which are everybody's business but no one's responsibility.

My purpose in contrasting the methods here and abroad for adjusting the federal system to changed circumstances is not to disparage the numerous efforts made here in behalf of improved intergovernmental relations, (efforts in which I personally have had a very small but interesting part). The increased intergovernmental cooperation in program planning, tax administration, expenditure policies, and especially the enlarged flow of Federal funds to State and local governments are noteworthy.

Much *has* been accomplished through the efforts, for example, of the two Subcommittees on Intergovernmental Relations and the Executive Office of the President. There is substantial scope for more of the same in ways spelled out in detail in the far ranging action program of the Advisory Commission on Intergovernmental Relations. These efforts are essential for they keep emerging intergovernmental problems under continuing scrutiny and produce remedies compatible with the political realities.

The accomplishments of the Advisory Commission and the Subcommittees in a very few years leave little doubt that Congress would have been well advised if it had created them much sooner. I would distinguish, however, between the mission of on-going organizations and the need on occasions—perhaps only every 50 or 100 years—to re-examine, if you will, the intergovernmental assumptions of the Constitution itself.

Similarly, the intergovernmental techniques and devices enumerated in your press release—shared revenues, tax credits, grant consolidations, etc.—can all be helpful singly and in combination.

I make bold to suggest, however, that more is required. The degree of fiscal imbalance is far greater than can be set right by adding a few billion dollars to the State side of the scales. In doing so it will be necessary, of course, to come to grips with the issue whether the vaunted efficiency of the central government and the dangers of Federal control it entails are to be feared more or less than the acknowledged inefficiencies of decentralized decision making.

If, as there is some basis of suspecting, the fear of Federal bureaucratic control is partly a reflection of the distaste of one group of bureaucrats for having another group peer over its shoulders in city halls and State capitols, the new computer technology may prove useful. It may not be too optimistic to hold out the prospect that this technology, relatively free of the personal equation, can be employed to satisfy the national government and the Congress, without benefit of many auditors, that State and local governments are deploying Federal revenues effectively and with appropriate regard for prescribed standards. Indeed, the computer may even have the potential of freeing State and local officials of the need to contend with too many visitors from Washington who personify insidious forms of Federal control to the jeopardy of State sovereignty.

I submit, Madam Chairman, that the fiscal imbalance in the federal system is of major proportions and that more is required to set it right than is generally suggested. I further submit that necessary innovations on this scale will be fairly assessed in terms of long range national goals and their case will be presented persuasively to the public only if entrusted to men and women free of the responsibilities of political office and preoccupation with voter reactions.

Representative GRIFFITHS. Thank you very much, Mr. Ecker-Racz. Mr. Ylvisaker?

TESTIMONY OF PAUL N. YLVISAKER, COMMUNITY AFFAIRS COMMISSIONER, STATE OF NEW JERSEY

Mr. YLVISAKER. Madam Chairman, may I thank you for this opportunity to address your subcommittee. I owe you special apologies for not coming with a prepared statement. I have been on riot duty in New Jersey these last 2 weeks, and the last 3 days having some eye surgery, so it has been rather difficult to get down to writing.