

Until that development, there was no time when the Congress ever really looked at the total budget, at the budget document. When transmitted by the President it was immediately torn apart and parceled out to the Appropriations Committees and as far as tax measures, to the Ways and Means Committee.

As you are aware, the major action on appropriations now is not in the Appropriations Committee. The key actions are taken at the subcommittee level, each of which naturally takes a very "blinders-on" kind of look at each program area.

This is an essential element in the process at some point, but at no point is there any reflection on the total budget in the Congress in a formal sense. And I share with you a feeling of dissatisfaction from the point of view of the Congress and, therefore, the public with the way this area of congressional responsibility is handled now. But I do not see an obviously effective way to do very much about it, I am afraid.

Senator PERCY. Mr. Stein, would you care to comment on this?

Mr. STEIN. Well, I think the techniques by which something might be done, if there were a substantial determination to do something, are limited but known, and I think the point that Mr. Capron makes about increasing authority of the Appropriations Committee vis-a-vis its subcommittees would be an important aspect of that. We have tried some of these things, as you know. There was at one point a Joint Budget Committee under the Legislative Reorganization Act of 1946 which failed. Perhaps one hope now is that we seem to be in an even more extreme mess than we have been previously; there may be some more willingness to try seriously to bring the thing under control than there has been in the past, since the end of the war, or since the Reorganization Act of 1946. I think it would be at least technically feasible to try to hold the action of the whole Appropriations Committee back until most of the subcommittee work had been done. We might try to establish through the Appropriations Committee as a whole at the beginning of the session some guidelines with respect to the total budget in reflection of the President's recommendations, and to hold final action on the appropriations legislation back until the Appropriations Committee could look at the main submissions from its subcommittees all together and come to some recommendation which it would offer to the House, or, in the case of the Senate, to the Senate. I think two main things are necessary which do not come from any technical procedural reorganization. One is the existence of strong party leadership, and the other is a feeling that there is some kind of serious national emergency which requires this. And perhaps we have reached the second of these points.

Senator PERCY. Could I ask you a question on that for a judgment as to where we stand now, and then related to that, what we can do about it?

Do you feel we are almost in a crisis right now with a budget completely out of control? We have estimates started in January of a \$8.5 billion deficit, subsequently raised to a potential of \$28 billion. I have heard figures as high as \$40 billion. The proposed tax increase would make only a small dent in a budget deficit of that size and consequence. What is your judgment as to the seriousness of our present situation, and what procedural recommendations could you make for reestablishing a set of priorities? When you have an emergency condi-