

# Business News

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## Congress mired in 'credit card mentality'

"The U.S. Congress is a house of ill repute ...

"If the federal government were a publicly held corporation, the blatant mismanagement of its resources ... would lead to an immediate investigation by the Securities and Exchange Commission and probably prison terms for those responsible."

Who is saying such harsh things about our elected representatives in Washington?

One of those elected representatives, that's who. He is Rep. Joseph J. DioGuardi, a Republican from New York.

I was not familiar with Congressman DioGuardi until I received a hand-written letter from him commenting on a lengthy report I did for The Herald after talking to people in Washington involved in the federal budget battle. The report assessed the impasse over the budget deficit and concluded that while everyone talked about it, very little was being done.

"I heartily agree with your analysis," wrote the congressman, who sent along his own thoughts on the subject and his proposal for changing things.

**James Russell**

Financial Editor



The letter arrived about the time that President Reagan labeled Rep. Claude Pepper's sponsorship of a \$5 million government real estate purchase in Miami as one of the worst examples of congressional pork barrel spending in the current U.S. budget.

That \$5 million, along with millions more for dubious pet projects of other members of Congress, will be paid for with borrowed money that will increase the \$2.3 trillion federal debt even more.

It's a debt, said DioGuardi, that reflects a "credit card mentality" that persists among our elected representatives.

"Some people get very excited about their first American Express

Gold Card because it gives them a \$10,000 credit limit," he said. "Others need a Platinum Card and its \$100,000 credit limit. As a member of the U.S. House of Representatives, however, I hold a plastic card that puts those two to shame — my congressional voting card.

"In an instant, I can ... vote in favor of spending \$5 million on a water project in Mississippi, \$30 million on an Air Force jet, or \$100 million on a federal honey program, whether or not we have the money."

He could have mentioned the \$5 million for an unneeded land acquisition in Miami. The congressional voting card, DioGuardi continued, "is the most expensive credit card in the world."

"Our federal government," he added, "operates on a Mickey Mouse cash basis of accounting, does no strategic planning whatsoever with respect to spending, and wastes billions of dollars a year in taxpayer dollars."

DioGuardi speaks from a background of 22 years' experience as a certified public accountant. He has introduced legislation to apply account-

ing principles to the federal budget. It calls for naming a chief financial officer of the United States and creating a financial management office in each federal agency.

The aim: more efficient use of federal resources and elimination of wasteful spending.

"The U.S. government is not run in a businesslike way," the New York congressman said. "We are missing fiscal discipline and meaningful financial information to measure the real cost of programs before we vote."

DioGuardi's bill got nowhere last year. But the congressman's administrative assistant says "things are beginning to happen" in the current congressional session.

One of those things is the drafting of a similar bill by Sen. John Glenn, the Ohio Democrat, for introduction in the Senate.

So there are reasons to hope that the "house of ill repute" can be cleaned up. Don't hold your breath while waiting. But you could write your congressman and suggest that it's time to put strict limits on those congressional credit cards.