Daily News Editorial

Thursday, April 3, 1986

Section A Page 4

Bureaucracy PR costs in'85: $436 million

By VIC OSTROWIDZKI
Hearst News Service

WASHINGTON — The executive branch of the federal government spent $437 million in tax dollars and employed 7,581 persons last year for public relations, making it one of the hottest growth industries in town.

Last year's public relations costs were up substantially from President Reagan's first two years in the White House, when spending dropped after he ordered the federal bureaucracy to cut back on efforts "designed primarily to improve the image of a federal program or agency."

Between 1983 and 1985, spending for public relations rose from $376.2 million to $436.7 million, a 16 percent increase, according to a new General Accounting Office (GAO) survey on executive agency spending on public and congressional affairs.

The study disclosed that in 1985 these agencies spent $336.8 million and assigned 5,599 employees to public affairs, while executive branch relations with Congress cost an additional $99.9 million was involved 1,982 civil servants.

"These figures reflect an increase in obligations for public affairs and congressional affairs activities over fiscal years 1981 and 1983 but a decrease in personnel assigned to such duties in these same fiscal years," GAO reported.

In fiscal 1981, there were 6,175 employees involved in public relations and 2,089 in congressional affairs. By 1983, the public relations staffs decreased to 5,705 and congressional affairs offices to 2,016. In fiscal 1985, the latest data available, that number dropped to 5,599 and 1,982, respectively.

The study was requested by of Sen. William Proxmire, D-Wis., to determine why "little was being done to reduce spending on public media relations" while efforts are underway to "eliminate unnecessary spending on developing, printing, and distributing periodicals and recurring pamphlets."

Proxmire cited statisics showing that between 1981 and 1983 spending on public relations had dropped from $383.3 million to $376.2 million.

"This auspicious beginning quickly turned around as the Office of Management and Budget put down its knife and started giving away chocolate fudge," Proxmire contended.

"Why this abrupt reversal?" Proxmire asked. The senator then gave his own answer:

"When people are out of office, they look on government public relations as the quintessential definition of wasteful spending. But once the 'outs' become the 'ins,' then public relations is magically transformed from waste into a shield to guard against a hostile press and an obtuse Congress, with spending increasing in proportion to the number of unfavorable stories and congressional oversight hearings."

"Not so," replied an administration spokesman.

Edwin L. Dale Jr., OMB assistant director for public affairs, insisted that President Reagan's directive to cut back on magazines, pamphlets, films and public service announcements, partly responsible for the initial drop in public relations costs, was still being enforced.

Two years after the order was issued, the OMB found that only the Treasury Department, then headed by Don Regan, the current White House chief of staff, had an increase in spending for publications that were not required by Congress. The increase was 24 percent.

Excluding Treasury, the OMB concluded that the cost of publications had gone down 16.5 percent over those two years, from $153.2 million to $127.4 million, and that 2,300 publications, with an average production cost of $11,000, had been terminated.

Dale insisted that OMB has no resources to keep track of how much each agency spends on public relations because "we don't scrutinize as separate items agency public affairs budgets."

He said that the federal government's public relations costs "are infinitestimal, amounting to .00035 of the close to $1 trillion budget."

"The agency budget requests offer detail on the number of employees but no specific breakouts by jobs, whether they are in public relations, security personnel or clerical positions," he explained.

Dale said even the GAO's report suggests that "caution should be used in drawing conclusions from the information provided because much of the data supplied involved best estimates and were not consistently prepared by respondents."

The GAO conceded that federal agencies do not uniformly define public affairs and recalled that during the 1970s it issued a number of reports concerning public affairs activities with a warning of "inconsistencies" among agencies on what they consider as public affairs.

The investigative agency defined public affairs as involving "efforts to develop and disseminate information to the public to explain the activities of and the issues facing an organization.

It described congressional affairs as "efforts to manage day-to-day contact with the Congress."

The GAO said the Agriculture Department spent $35.2 million on public relations in fiscal 1985, Commerce, $6 million; Defense $46.5 million; Education, $1.7 million; Energy, $47.3 million; Health and Human Services, $56 million; Housing and Urban Development, $2.4 million; Interior, $9.5 million; Justice, $10.5 million; Labor, $4.7 million; State, $22.2 million.

Also, Transportation, $11.6 million; Treasury, $24.8 million; The Agency for International Development, $2.7 million; The Consumer Product Safety Commission, $2.4 million; The Environmental Protection Agency, $6.3 million; The Equal Employment Opportunity Commission, $813,000; The Federal Communications Commission, $492,000; The Federal Deposit Insurance Corp., $416,000.

And, The Federal Reserve Board, $640,000; The Federal Trade Commission, $1 million; The General Services Administration, $450,000; The Interstate Commerce Commission, $1.4 million; The National Aeronautics and Space Administration, $13 million; The National Labor Relations Board, $401,000; The Office of Personnel Management, $746,000; The Securities and Exchange Commission, $4.3 million; The Small Business Administration, $1.7 million; The U.S. Information Agency, $988,000; The U.S. Postal Service, $17.3 million, and The Veterans Administration, $3 million.