

Mark Nelson <mark@mmjcd.net>
12/17/2002 07:42:15 PM

Record Type: Record

To: David C. Childs A-76comments/OMB/EOP@EOP

cc:

Subject: Massive outsourcing could cause security problems.

I recently read about a consulting firm in the east, that the FBI raided, that had information technology contracts with many Federal agencies, including the USAF and also possible ties to Mid Eastern terrorist organizations. This raises a number of questions:

1. If 400,000 - 900,000 Federal jobs are outsourced in a short time, how can we prevent our enemies from infiltrating bases and computer systems.
2. Federal employees have to have background checks. What security checks will be made to prevent enemies of the US from exploiting this confusion to hurt our country?
3. Even if the contractors are found to be relatively secure, many of them subcontract work. Who checks up on the subcontractors?

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12/17/2002 07:50:28 PM

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To: David C. Childs A-76comments/OMB/EOP@EOP
cc:
Subject: Where do the lost Federal Jobs Go?

No one has spelled out what happens to the outsourced Federal employees. This raises a number of questions:

1. Will they simply be fired to add to the 6% unemployment in this recession?
2. Will the firms that bid on the work have to pick the ex Civil Service employees up for a set time and then be free to fire or cut wages and benefits as they wish at a later date?
3. Will this result in a transfer of jobs & buying power from one state to another?
4. Could it result in most of the outsourced jobs ending up in a few favored states and Congressional Districts with many good jobs lost from primarily rural states?

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12/17/2002 07:56:50 PM

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To: David C. Childs A-76comments/OMB/EOP@EOP

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Subject: Job security and spending habits

When employees are faced with job insecurity, most will cut back on spending. If consumer spending is propping up the economy at this time, is it a good idea to make 1,500,000 + workers, their spouses and families insecure about their job future so that they will cut back their spending? This could cause another 2,000,000 to 4,000,000 people to spend less at a time when the country needs confident spenders to get out of the recession.

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12/17/2002 08:04:57 PM

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To: David C. Childs A-76comments/OMB/EOP@EOP
cc:
Subject: Who checks contractor work?

In many technical fields (computer technology, engineering, science etc.) the Federal employees presently act as the agent of the Government (taxpayers) to review contractor work. Improperly done work is usually returned to the contractor to fix before the contractor is paid.

1. If government professionals are fired, who will have the expertise to check the work of the contractors to determine if it is any good before the taxpayers pay for it?
2. If only a few government professionals are left to check the work, but no longer practice in their professions any more, how long will it be before they have outdated skills and are less effective at finding poorly done work prior to payment?
3. If consultants are left to check on consultants, won't it will end up being another Arthur Anderson auditing Enron type situation? (Fox guarding the hen house!)
4. Couldn't this whole thing end up being a conduit of money from the taxpayers to consulting firms untouched by any safeguards?