While the public services flowing from the public facilities described in this volume are not the sum total of the goals and objectives of the Great Society, they form an important component. Consequently, these projections of future capital requirements for the different categories of public facilities provide a reasonable approximation of our public service needs for specified levels of service.

(b) *Capital Requirements and Available Resources.* Enumeration of a series of capital requirements for different categories of public facilities carries no assurance that these facilities will, in fact, actually be provided. Whether such facilities will be produced depends upon (1) an assessment by appropriate authorities of the prospective needs for such facilities, (2) a comparison of the relative urgency of such needs with the needs stemming from alternative public and private objectives, and (3) the availability of financial and "real" resources.

A statement of needs for public services represents a series of qualitative judgments as to what would be "needed," if certain standards of performance are to be met for a given population, with due allowance for the existing capital plant. Generally such judgments are rendered by experts or professionals in the particular field who necessarily regard their sphere of interest as more important than others. Assessment of these "needs" by like-minded experts or professionals can result in considerable refinements and reevaluation of the needs; but the winnowing out process (translating "needs" into actual undertakings) does not become very effective until the "needs" for one purpose are compared to equally meritorious needs for other purposes.

Within the constraints of available labor and material resources, the final arbiter is, of course, the availability of financial resources, be they tax receipts, intergovernmental revenues, borrowing, fees, gifts, or donations. All such resources are limited and must be employed for current operations of the spending units as well as for capital outlays. Conceivably a gap could exist between the capital requirements reflecting prospective needs and the financial resources available to meet them.

The size of this gap could only be determined by first ascertaining what our public facility needs are and then comparing the aggregate of such needs with anticipated financial resources. To bridge such a gap, it would be necessary to make more financial resources available or reduce the dimensions of the purported needs by modification of the standards of performance. A necessary first step in this allocation—budgetary process—would be to find out what our public facility needs are and what criteria were used to estimate these needs.

(c) *Planning-Programing-Budgeting System.* On August 24, 1965, the President announced to members of his Cabinet and heads of major agencies his intention to establish a new planning-programing-budgeting system in the executive branch of the Federal Government. This new system—which had been developing in broad outline in the Department of Defense for several preceding years—was formally established within the executive branch by Bureau of the Budget Bulletin No. 66–3 of October 12, 1965. It has since been adopted by all Federal agencies as one of the more important tools of management.[7]

[7] See 1958 recommendations of Joint Economic Committee study on *Federal Policy for Economic Growth and Stability*, pp. 6–14. See also, 1963 Joint Economic Committee report, *The Federal Budget as an Economic Document*, pp. 8–11.