of the problems that will arise because extension of past trends into the future will reveal inconsistencies which will make realization of optimum performance in accordance with Employment Act objectives difficult or impossible, without policy changes. For example, what will happen to the fiscal budget over the years as a result of economic growth, if past trends are extended into the future unchanged, along with present policies? Will the high employment budget develop substantial surpluses which will impede the realization of full employment, such as happened in the late 1950's and the beginning of the 1960's? By formulating notions as to the magnitude of such prospects and many others, it is possible for the analyst to assist policymakers in arriving at reasonable ideas as to the scope of the programs that will have to be modified or improved to offset the effect of the continuation of past trends in the economy. The need for long-range policy planning by both private and public organizations is accentuated by rapid technological, social, and cultural changes occurring throughout the land.

It would be possible to derive projections and policy analysis, such as are in these materials, on a wide variety of assumptions. We have chosen two sets of assumptions which seem to embrace the range of the most reasonable prospects and because they are very useful in illustrating the kind of policy issues that are most likely to develop. It must be recognized, however, that from time to time in the years ahead such studies must be checked to insure that developments are not occurring that swing economic trends outside the bounds that are assumed here.

The staff was most fortunate in obtaining the cooperation of the Department of Commerce in the preparation of these materials. We are particularly grateful to the Department of Commerce for making available the professional expertise and judgment of Dr. Louis J. Paradiso, Associate Director, Office of Business Economics, and the services of his staff aides, Miss Mabel A. Smith and Mrs. Irene M. Mattia, to carry out in a personal capacity the projections and the underlying analyses contained in this work. The Office of Business Economics takes no responsibility for the projections and analyses. In addition, we are appreciative of the work done for us by Dr. Murray L. Weidenbaum, chairman of the Department of Economics, Washington University, St. Louis, Mo., for his work on the text of this study, particularly in his analysis of the policy alternatives we may face in the decade ahead. This study is undertaken as one of several projects in the program of the Subcommittee on Economic Progress which have been under the general direction of John R. Stark, deputy director of the Joint Economic Committee staff. I have worked closely at all stages of the planning, execution, and drafting of this report. Other members of the staff have contributed, and the final product should be regarded as a composite effort of all concerned. Obviously, there is no implicit or explicit recommendation as to policy in these materials or any conclusion of the staff as to needed directions of committee effort. Such recommendations and plans for the direction of committee work must be developed by the committee itself on the basis of its consideration of this study and others on the issues of the decade ahead which have been undertaken at the committee's request.

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