

in Vietnam will be considerably reduced from the present level. Various military and political conditions are consistent with that essentially economic assumption, ranging from an informal cessation of hostilities to the formal signing and execution of an international peace agreement.

In any event, this section of the report does not deal with the important current questions of the economic adjustments to the present defense buildup required to carry out U.S. commitments in Vietnam. Rather, it deals with the types of problems that are likely to exist in the period thereafter. It is hoped that, given this leadtime, significant advance thought and attention can thus be focused on the types of economic problems that are likely to face the Nation in the coming decade.

It should be recognized, however, that important long-term implications may flow from current short-term decisions. For example, the choice of tax increases to finance Vietnam costs would strengthen future revenue capabilities of the Federal Government vis-a-vis future requirements for Government spending. Reliance on tighter restraints on nondefense public outlays would serve to add to the backlog of unfilled civilian demands in the public sector which would be present in the post-Vietnam period.

The following is an attempt to show the variety of the questions of long-term economic policy that are likely to arise during the coming decade and to indicate many of the difficult interrelationships. The tabulation by no means is exhaustive:

1. What are the major alternative methods of attaining the economic growth rates projected in this report and what are the implications involved in selecting among these methods?

2. What are likely to be the policy reactions to the rising supply of potential workers as indicated by projections of the labor force age group?

3. How can the projected relatively rapid rates of economic growth be reconciled with the fairly moderate estimates of future increases in the aggregate price level?

4. What are the alternative methods of encouraging additional manpower training and, again, what are the implications involved in selecting among them?

5. What are likely to be the major effects of alternative wage policies?

6. What are likely to be the major choices among alternative tax and other fiscal policies?

7. What are the major economic considerations involved in the changing composition of Federal Government expenditure programs?

8. What are likely to be the major effects of the alternative methods of Federal aid to State and local governments?

9. How do the various Great Society programs influence regional income distribution and economic development?

10. What are the alternate means of promoting public and private investment, consumer spending, and a rising standard of living?