subsequently issued instructions to the executive departments and establishments for the application of the new system of planning and budgeting. It was to be applied immediately in the 21 largest departments and agencies, and 18 other agencies were encouraged to adopt formal systems.[19]

In the broad application adopted for the executive branch, the program budgeting aspects of PPBS were described by the Bureau of the Budget as placing increased emphasis in all Federal agencies upon (1) setting explicit goals and objectives; (2) searching out the most economical programs for meeting these objectives; and (3) subjecting costs and benefits to closer scrutiny. The system is based on the following concepts:

(1) Continuing critical analysis by each agency of its objectives and programs, relating accomplishments to costs;

(2) Multiyear planning and programing based on modernized information systems; and

(3) A budgeting process which will sharpen and clarify budget decisions for review and action by the President and the Congress.[20]

The Director of the Bureau of the Budget advised the Joint Economic Committee:

> This new budgeting system will help focus attention more concretely and more precisely on program objectives. It will permit a broader evaluation of more effective and less-costly alternatives and will link longer term planning efforts more directly to budget decisions.[21]

The Joint Economic Committee inquiry into human resources programs was, of course, launched independently of the planning-programing-budgeting system developments in the executive branch. Because the questionnaire was issued soon after the President's announcement, the committee's questions on the economic aspects and impacts of Government programs were interpreted by many respondents in Federal Government departments and agencies as a preliminary application of the new requirements—and, in the view of some of them, a premature application because they were still unfamiliar with the PPBS concepts and procedures. The committee inquiry was actually much more limited in coverage and purpose and much less specific in its aim. The questions did not call for the extensive analytical effort, special studies, detailed program examinations, and financial tabulations that are required by the budget bulletin. The committee questions called for selected data which might also be utilized in the PPBS, but this was coincidental. Limited though they were, the economic questions in the questionnaire referred to types of information which apparently were unfamiliar or unavailable to some of the Government personnel who were called upon by their agency heads to prepare the replies. A result is the evident incompleteness or unresponsiveness of many replies. Agencies with experienced staffs for program analysis were able to respond more fully and explicitly. (Examples are the replies reproduced in pt. III of this report from the Social Security Administration, the Office of Manpower Policy, Evaluation, and Research, and several

[19] Bureau of the Budget Bulletin No. 66-3, "Planning-Programing-Budgeting" (Oct 12, 1965), and supplement to Bulletin No. 66-3 (Feb. 21, 1966). Bureau of the Budget press release, Oct. 13, 1965, OD-185.

[20] Bureau of the Budget press release, Oct. 13, 1965.

[21] Statement by Charles L. Schultze, Director of the Bureau of the Budget, before the Joint Economic Committee on the Budget for fiscal year 1967, Feb. 2, 1966.