

vidual behavior, and for this purpose it is necessary to observe the same individual reporting unit over a period of time.

The increased accessibility of data via computer means also that existing data which was originally developed for one purpose, or which is a byproduct of administrative procedures, can be used for a wide variety of other purposes by reclassifying it or reprocessing it. Many public programs dealing with urban renewal, poverty, and medical care could use already existing data for the design and implementation of policy. This raises the problem of disclosure of confidential information. Given the computer, however, it is now possible to process the data in such a form that useful results are produced without disclosure of any individual information.

Social scientists engaged in empirical research in academic institutions also have much to gain from the resources of the computer and the availability of microdata. The technique of using highly disaggregated data for economic analysis is rapidly developing. For example, Joseph Pechman, of Brookings, used a sample of 100,000 individual tax returns to analyze the impact of alternative changes in the tax law on individual taxpayers and on total tax revenue.

For this type of analysis it was merely necessary to program the computer to recompute each tax return according to proposed changes in the tax law, and to compare such a computation with alternative proposals. The Bureau of the Census has put in the hands of social scientists another extremely valuable set of data. On the basis of the 1960 Demographic Census they constructed a 1-in-1,000 sample which provided information on the economic and social characteristics of households. This set of data has been used in a variety of ways, including, for example, a simulation of a life process model to determine the characteristics of the future retired population and their probable income level. The ability of social scientists to obtain highly disaggregated data permits them to use techniques of analysis which are inherently much more powerful and can separate out the structural changes of the system from the changes in behavior of individual units.

Thus, the revolution which the computer has caused in the processing and analysis of data has completely altered the point of view of both Government agencies and research scholars with respect to the nature and adequacy of the data base, and the pertinent question which remains is whether the present organization of statistical activities is consistent with the changed conditions.

THE ORGANIZATION OF THE FEDERAL STATISTICAL SYSTEM

From this brief discussion of the evolution of the Federal statistical system it is obvious that the term "decentralized," while applicable, may be somewhat misleading. Decentralization could come about through a conscious splitting up of responsibility to provide a division of labor.

The decentralization of the Federal statistical system, however, does not represent such rationalization; rather it has been the result of a jungle-like growth of statistical activities by different Government agencies having widely different purposes. The result has been extensive duplication and lack of coordination. In view of this, the Hoover Commission in 1949 recommended the establishment of the