

We have come a long way toward meeting these requirements in the ten years since that paper was written. We have a better understanding, in quantitative terms, of the working of the economy in its various sectors than we had 10 years ago; we have better data to guide us in both public and private actions; and we have learned to use these data more effectively in analyzing and solving our problems. The economic success which we have enjoyed as a Nation is at least partly due to the increased availability and greater use of better statistical information in decisionmaking. Our success on the one hand permits us, and on the other requires us, to deal with new problems which were of less concern to use ten years ago. The problems to which we are turning more attention today call for new kinds of information, greater attention to area details and new ways of organizing it. Despite our progress, we still have much to do, to achieve the goal of appropriately interrelated, accurate, timely, consistent, and relevant statistical information for today's problems.

I would like on this occasion to review for the Committee's attention what has been accomplished in the recent past, what is in process currently and the general methods which we are using to reach our goals. In this accounting for the work of my Office and the statistical agencies generally, I shall note the shortcomings as well as the successes. I shall recognize the need for performing the statistical task of the Government economically by considering not only costs to the Government, but the burden which the collection of information places on respondent businesses, individuals, and nonprofit institutions. I will emphasize the need to maintain the privacy of individual reports while at the same time underscoring the importance of maximum accessibility of the data to all classes of users for statistical purposes.

I want also to note that even the most precise statistics cannot determine substantive goals or choose means to achieve them. Good statistics cannot eliminate differences of opinion about objectives. Good statistics can, however, provide a framework of knowledge which increases the probability that choices reflect value judgments and not ignorance.

National Economic Accounts

The national economic accounts are the most systematic and comprehensive statistical measure we have of the Nation's economic activity. These accounts include the national income and product accounts, interindustry purchases and sales, flow of funds accounts and the balance of payments. An expansion of the accounts to include national and sector balance sheets is planned. By their very nature, the national economic accounts call for bringing together statistical information from a vast number of separate statistical series which are collected by a large number of agencies for a variety of purposes. Data from the Bureau of the Census, from the Department of Agriculture, from the Department of Labor, the Internal Revenue Service, the Bureau of Customs, the Immigration and Naturalization Service, the Securities and Exchange Commission and the Federal Trade Commission, among others, are integrated into the national economic accounts.

Just as the statistics which provide data for the national economic accounts developed at different times, in different places, in response to different needs, so the various accounts themselves grew up originally without too much regard for their integration into a common framework for economic analysis.

When we first directed attention to the problem of working toward the goals outlined in my remarks to the American Statistical Association, it was natural that we should turn first to the national economic accounts. They are our most important analytical tool for appraising the Nation's economic position and its course of development. Such an accounting structure provides guidance for determining what different elements of statistical data are necessary and the consistent definitions required for their integration.

Our first step was to request and contract with the National Bureau of Economic Research to form a committee to review and appraise the accounts and to make recommendations for their improvement both by integrating and extending the accounts themselves and by strengthening the statistical information which is incorporated into the accounting structure. The National Economic Accounts Review Committee, as it came to be known, made a number of important recommendations, many of which have been translated into reality. The Committee's report and recommendations were the subject of hearings before this committee in the fall of 1957. Without attempting an exhaustive review of