

Mr. HELLER. Well, certainly if it were possible to do it within the resources of the Budget Bureau, it would help us all. But may I come back just to—

Chairman PROXMIRE. Let me interrupt for a second to say within the resources of the Budget Bureau, supposing they do have to hire a few more people to do this. This is so vital, so important to have economic policy that is based on intelligence and the best possible understanding of what the facts are, wouldn't it be worth it? Wouldn't this be a good investment?

Mr. HELLER. I find it hard to reconcile my appetite for data as an economist with the practical limitations that may exist in this process, on which I am no expert. Charles Schultze, as the Director of the Budget, is the expert.

Chairman PROXMIRE. No witness to my knowledge has given us any specific reason why they can't make a quarterly report on Vietnam. I am sure that the President of the United States must ask for reports more frequently from the Secretary of Defense than once a year or 18 months in advance.

Mr. HELLER. I suppose when there are highly uncertain figures, sometimes it is better not to use the figures charged with uncertainty than simply to wait until the elements in the situation are clearer.

Chairman PROXMIRE. But each quarter they get better, as we get closer to the—

Mr. HELLER. Yes, in recent years, Mr. Chairman, we have moved very substantially toward explicit forecasts, economic forecasts, budget forecasts and all the rest. When you look back to the late fifties, we are of course doing far more today of laying it on the line in our Government than we were then. But may I just go back for a moment and say two things about last year's numbers?

As I understand it, the actual difference between the estimate and the final expenditures in 1966 was a differential of about \$4 billion.

Chairman PROXMIRE. Yes, you are talking about calendar 1966.

Mr. HELLER. Yes.

Chairman PROXMIRE. I am talking about fiscal 1967.

Mr. HELLER. Of course that is what had the immediate impact on policy. And secondly, there is the difference between what people were able to infer in their economic forecasts, and whatever problem of relations between Congress and the administration there might be. I went back to my own forecasts, by the way, because of the fact that there had been a good bit of discussion of this point before this committee.

Chairman PROXMIRE. Yes.

Mr. HELLER. We at Minnesota were using numbers—Prof. George Perry and I, who make a joint forecast three or four times a year—we were using numbers that were reasonably close to the final results as early as last July, without any special access to information. So were other forecasters. In my September bank letter I was anticipating a \$10 billion supplemental, or even more.

Chairman PROXMIRE. Maybe we should ask you instead of asking the Budget Director.

Mr. HELLER. Hardly. But I am trying to suggest, Senator, that there are two questions. One is how does this lack of flow affect economic forecasts and the resulting policy, and the other is what is the proper relation between Congress and the administration.