The current state of the economy, as I indicated at the outset, is such that I don't think we need to be in any hurry to move in either direction, for that matter.

Representative REUSS. One thing we could do would be to stretch out the expenditures so as to save on the expenditure side. If we get going now on an administration tax loophole plugging program, we might have some political things working for us.

Those whose expenditures were being stretched out would then suddenly be quite eager to have the loopholes plugged, and the loophole pluggers might hear about it.

Chairman PROXMIRE. First—I would like to, before I ask a few more questions—I would like to reassure both of our guests, and I am sure you knew this, but I want to emphasize it, that your statements have been given to the House and Senate Press Galleries, the Associated Press, and the United Press, and all the media of communications, so that the country will be able to get the benefit of your words of wisdom this afternoon, although we have only one live correspondent present, so far as we know.

I would like to say to you, Dr. McCracken, we are just delighted as to the emphasis on quarterly reports from the Executive on the budget quarterly reestimates. It seems to me that if we are going to have intelligent, effective economic policy, we can only do it if we have the facts; if we have the statistics available.

Mr. McCRACKEN. Exactly.

Chairman PROXMIRE. And if the estimates are wrong, and we know how very wrong they were on Vietnam, 100 percent off, obviously, our economic policy can't be any good. If it is good, it is just a matter of luck and not based on a sound analysis.

I call your attention to the fact that this committee unanimously, Republican and Democratic, recommended in 1963, and I quote:

> Regular periodic revisions of budgetary estimates should be provided on at least a quarter basis.

I know how strongly some of the members of the committee feel on this, and I am delighted to see you reinforce it. The reason I bring it up again is that I would like to have you tell me, as a former member of the Council, and one who understands Government finances very well, if there is any technical reason why this administration or any administration can't make these budgetary estimates. What is wrong with it? Is there any objection that is legitimate?

Mr. McCRACKEN. Well, I think if I were to argue the other side, or if I were to put myself in the position of the Budget Director, for example, or the President, I suppose there are two or three points that one would make.

In the first place there is just the general observation that this would all be very difficult, and if the trend were unexpected, projections might jar confidence.

These arguments I would pay very little attention to. One of my early jobs after leaving graduate school was in the Department of Commerce, which was in the early stages of giving consideration to whether or not we should try to ask businesses for their capital budgets. It seems to me most of the arguments that I have heard in regard to the mechanical problems here are practically carbon copies of the reasons advanced against these surveys.