STATEMENT OF DAVID M. KENNEDY, CHAIRMAN OF THE BOARD, CONTINENTAL ILLINOIS NATIONAL BANK & TRUST CO. OF CHICAGO, AND CHAIRMAN OF THE PRESIDENT'S COMMISSION ON BUDGET CONCEPTS; ACCOMPANIED BY ROBERT P. MAYO, STAFF DIRECTOR, PRESIDENT'S COMMISSION ON BUDGET CONCEPTS, AND WILFRED LEWIS, JR., RESEARCH DIRECTOR, PRESIDENT'S COMMISSION ON BUDGET CONCEPTS

Mr. KENNEDY. Mr. Chairman, I am delighted to be here today and have this opportunity to discuss with you the matters of the Commission. We feel it will be helpful in bringing about a better understanding of the budget, and we need, of course, to have the interest and the cooperation of the Congress in undertaking some of the programs that are proposed in our report.

I would like now to present a prepared statement.

It is a pleasure to appear before you today to discuss the report of the President's Commission on Budget Concepts,[5] which became public on October 18, 1967. Your committee is to be complimented for the interest in our report which has led to the present hearings. In our own discussions we were quite aware of your continuing interest in the importance of the budget in our national affairs—particularly in the expression of that interest in your study of the budget as an economic document 4 years ago.

On March 3, 1967, President Johnson established this Commission. He asked us to conduct a thorough and objective review of the way in which the budget of the U.S. Government is presented. The Commission's 16 members included nationally known leaders in the field of accounting, corporate finance, investment banking, journalism, and the academic fraternity, as well as the Secretary of the Treasury, the Budget Director, the Comptroller General, and the chairmen and ranking minority members of the Committees on Appropriations of both the House of Representatives and the Senate.

Our staff director was Mr. Robert P. Mayo, who served for many years in the Office of the Secretary of the Treasury before coming to work at the Continental Bank. Our research director was Mr. Wilfred Lewis, Jr., of the Brookings Institution, who has served in both the Bureau of the Budget and the President's Council of Economic Advisers. A large amount of additional staff work was generously provided by Government agencies having particular competence in our fields of inquiry.

The cooperation we received from the committees of the Congress and the various Government agencies and their staffs was outstanding. The Commission itself had five 2-day meetings during the May–September period. This was a "working Commission" and attendance by its members was excellent. As a result, we were able to produce what we believe to be a full and complete report before the end of September, as requested by the President, although the final printed copies were not actually completed and made available to the public until mid-October. Staff papers and other materials reviewed by the Commission—including papers and proceedings of a conference on budget concepts for economic analysis conducted jointly by the Com-

[5] See appendix.