piecemeal but would be "saved up" until complete implementation could be carried out at one time. I hold this view because of the fear that confusion and misunderstanding (comparable perhaps to that we have all suffered in recent years because of the three competing budget concepts in use) will be produced if budget concepts are modified year after year for several years. This consideration suggests a two-stage implementation of the sort of changes suggested by the Commission: early adoption of the basic format; one-shot revision some time later to reflect basic conceptual revisions.

Before I close, let me briefly indicate some of the chief virtues—in addition to those that I have already mentioned—that I find in the Kennedy Commission report and recommendations:

First, and perhaps more important, I applaud the suggested burial of the administrative budget. As the report says so well, this particular aggregate has no real meaning today—if it ever did. The exclusion of the trust funds, on the one hand, and the undifferentiated inclusion of direct lending programs (treating them just like any expenditure program), on the other, renders meaningless administrative budget totals (and the deficit or surplus produced by comparing the expenditure and receipt totals so calculated). The administrative budget doesn't satisfy the needs of those concerned with the financial aspects of Federal activity; it is not useful to those concerned with the substantive content of specific programs and with the decisions the Congress is called upon to make since it leaves out of account important areas of Federal activity requiring congressional review and action; finally, it is useless to those concerned with the overall impact of Federal activity on the economy.

Second, I am in agreement with the recommendation that expenditures and revenues be estimated on an accrual basis since this will better reflect the timing of the impact of Federal spending and taxing actions.

Third, I admire the skillful compromise wrought by the Commission among the various legitimate interests in different "budget" aggregates and concepts. While one can perhaps carp at the Commission's claim to have come up with a single "unified budget"—since the "unity" has two separate deficit/surplus estimates, plus four distinct parts—their recommended approach would present a set of data meeting a number of requirements in a systematic form, with the interrelations among the parts of "the budget" intelligible to almost anyone.

Fourth, I commend the Commission for calling attention to the very limited significance policymakers at either end of Pennsylvania Avenue should properly attach to any single budgetary number, be it one or another estimate of a deficit, some expenditure or spending total, or even the absolute value of the public debt. Headline writers—and perhaps those who seek headlines—are naturally entranced with single numbers to which they can attach drama and cosmic significance. But those seriously concerned with making and evaluating policy must be more subtle and look beyond single "magic" measures. The effects of Federal activity on the overall level and direction of economic activity, on specific directions of resource allocation, on income distribution, and on financial markets, are complex with many significant interactions and feedbacks. Such a complicated set of relationships, not surprisingly, requires a richer kind of analysis than can possibly