

variations in executive forecasts to the extent of being 100 percent wrong—double the figure given to the Congress.

If the Congress has the job of attempting to establish priorities among the various competing pressures within our society for Federal tax dollars, its judgments would be affected in the establishment of priorities by additional information during a year. I understand your point that one would not necessarily react on a tax question within a 4-month period. But decisions are made continuously during a 12-month period.

I do not understand how you can say that current information would be valuable to the Federal Reserve and not valuable to the Congress. I know you know Congress, and I know you know, as I know, that things just do not happen in the legislative area immediately. There is some time involved. But during that decision time information must be made available. And absent that, the period of reaction is lengthened, rather than shortened.

Mr. STEIN. Well, Congress is a big computer into which you ought to put a lot of information, but you can overload this machine. And you want to be sure that you are getting the information that is most relevant to the decisions you can make. And if I ask myself what errors Congress has made, it is not because Congress has been one quarter or two quarters too late; they have been 5 years too late.

Congressman RUMSFELD. Then it would be 4 years and three quarters if the input were better.

Mr. STEIN. I would like higher quality information about a longer period rather than more information of a mediocre quality about a short period.

Mr. CAPRON. Mr. Rumsfeld, may I just make two comments on your question?

One, I think it is important to emphasize a point that Mr. Stein made briefly, that before the art, and it is an art, of economic forecasting—quite apart from what the Federal Government is doing in any given quarter—is improved, I think we all have to recognize, especially those who use forecasts, that they are judgmental; that they are uncertain; they are going to be wrong sometimes. And it is for this reason that I have the note in my prepared statement to the committee that I was not sure how really valuable, given the difficulties of economic forecasting, very frequent revisions are going to be to the Congress.

Representative RUMSFELD. Well, I got that point from your statement. I disagree with it completely.

Mr. CAPRON. Well, the other point I was going to make is, I think it is worth drawing a distinction which I think the Constitution draws, as I read it, between the responsibilities of the executive branch, on the one hand, and the Congress, on the other. I think that it is not feasible to expect essentially day-to-day administrative decisions to be made at this end of Pennsylvania Avenue. I think that the Congress has to set the broad framework in its appropriations actions, particularly on the expenditure side. But then if things are going to be done at all efficiently, the detailed timing decisions from month to month, as to when orders are placed, and so forth, have to be left with a good deal of discretion to the Executive.

Now, one of the most difficult episodes we have had recently, which Mr. Stein referred to, I think, is pertinent here, where you have differ-