

grams and financial activities are actually developing. It is particularly important that major changes in appropriations, expenditures, receipts, and government financial requirements be communicated in a timely way to the public. The efficient and sensitive functioning of a free economy depends significantly on public understanding of and responses to the activities of government.

*The present budget information system can be improved in a number of ways:*

- *First, it would be highly useful if the executive branch would, in conjunction with the annual budget presentation, present estimates of aggregate budget expenditures and receipts, and surpluses or deficits, broken into quarterly or semi-annual units, to facilitate economic and financial analysis.* As the year develops, these estimates should be revised in conjunction with the budget revisions described below. At the same time, the Congress and other users of this information should not expect unattainable precision in such estimates, since the short-run timing of many expenditure flows is most difficult to estimate. Partisan bickering over such estimates could destroy their usefulness. These changes need not involve a complete review of individual agency programs; periodic reviews should, however, be done in a way that will keep the Congress and the public informed on major changes in budget trends.
- *Second, sometime after the initial presentation of the budget in January, while Congress is still in session, the executive branch should offer to the Congress and the public revised budget estimates.* These need not come at a fixed date, but should come at a point where the cumulation of political and economic factors affecting the budget make it possible to give a substantially better-informed account of the status of the budget for the new fiscal year than was possible in January when the budget was first transmitted. *In addition, still later estimates should be published after Congress has completed its work and adjourned.* The *Midyear Review* was once a fairly well-established and widely appreciated institution. The lateness of congressional adjournment, and particularly of action on appropriation requests, has made it impractical to prepare the *Midyear Review* in most recent years. If the lateness of the congressional adjournment date makes the workload of preparing a full *Review* infeasible, the accuracy and thoroughness of the estimates could be sacrificed somewhat, or the form of release modified, in the interest of getting out at least a somewhat earlier picture than the public would otherwise have in the interim before the new budget is transmitted in January. The agreement made last spring between the Bureau of the Budget and the Joint