Mr. Zwick. I don't have the statistics on that basis.

Chairman Proxmire. Can you break it down by half years?

Mr. Zwick. We would expect on a NIA basis—are you talking about NIA?

Chairman Proxmire. You have three budgets; give us first the unified budget.

Mr. Zwick. On the unified budget basis, there will be a surplus for the second half year of—I was going to say $4 billion. Mr. Cohn says $3 to $4 billion. You get more receipts, of course, in the second half of the fiscal year. On the NIA basis, it would be less than that.

Chairman Proxmire. NIA?

Mr. Zwick. It would be probably less than $1 billion in the second half of the fiscal year on an NIA basis. We expect that clearly we will be moving in the direction of restraint.

Chairman Proxmire. Then that means that in the first half of the fiscal year, you have how large a deficit?

Mr. Zwick. The first half of this fiscal year?

Chairman Proxmire. Do a little arithmetic.

Mr. Zwick. Well, let me try it this way. The expenditure account of the unified budget was so organized to approximate the NIA deficit. The expenditure account deficit is estimated at $2.9 billion for the fiscal year; and if we have a $4 billion surplus in the spring, that means it would average out to be a deficit of about $7 billion for the first half of fiscal 1969, which is the last half of calendar 1968. In other words, in the first 6 months we have just been talking about, there would be about a $7 billion deficit in the expenditure account. I just don't have the NIA number; but I would guess it would be a little less than that around $5 billion. So you are swinging from a $7 billion expenditure account deficit in this half of the year to a surplus position in the first half.

Chairman Proxmire. Isn't that a pretty decisive economic shift?

Mr. Zwick. Yes, sir.

Chairman Proxmire. That is the reason you expect increased unemployment, I take it?

Mr. Zwick. Yes, sir; but we would also hope that the private sector is going to pick up some of that.

Chairman Proxmire. The administration has shifted its views on the estimates, because you asked for the surtax; that is true?

Mr. Zwick. Yes.

Chairman Proxmire. But you did not ask for the mandatory holddown on spending?

Mr. Zwick. That is right.

Chairman Proxmire. And that gives you about a 60-percent greater restraint in your budget. You are saying this is going to give us balanced economic expansion and it is going to result in just about the kind of economic picture you want. Does this mean the administration didn't ask for enough restraint, that it was too inflationary in its request last January?

Mr. Zwick. No, sir. I think we have taken the following position: First, that the risks are on the overkill side, now, not on the underkill side, and we are playing a very complex and uncertain analysis very closely here.

Second, there have been some increases that we didn't anticipate in January, so that, although NIA expenditures are down from what