

CEA above all others should be now offering to the Nation an expert economic analysis of what, as experience indicates, the central elements in a more effective war against poverty should be.

Tragically, this task of evaluation is being left far too largely to sociologists and psychiatrists, artists and amateurs, in the popular magazines, instead of being taken up by the one agency which, in terms of its potentials and responsibilities, should be moving most actively and fruitfully on this whole front.

The issue of housing and urban renewal

Treatment of this subject in the current CEA report adds nothing much to what can be obtained from the reports of other agencies, nor very much to what those reasonably informed about the subject already know.

It has long been my view that, in view of technological and other trends, almost half of the whole problem of achieving and then maintaining maximum employment and reasonably full resource use during the decade ahead converges on what we do about the housing problem and the entire range of related problems, mainly in our urban areas. These same problems are intimately connected with the whole poverty problem.

This being the case, I submit that CEA should long since have commenced to do effectively what can hardly be done anywhere else in the full perspective of the whole economy that is, develop a long-range budget relating to the amount of investment required for urban renewal during the decade ahead, accompanied by analysis of the respective roles of the Federal Government and others in the supply of these needed levels of investment. Lacking this, we are even now moving ahead with "new" types of approaches to housing and urban renewal. Some of these are sufficiently far from the realities of what can be accomplished, through the identified means, that we face the prospect of some of difficulties which have arisen from our excessively optimistic—or rather excessively careless in terms of the means employed—initiation of the war against poverty.

Minimum ambits of CEA responsibility

Even if the Council, for one reason or another, feels that it cannot yet attempt the kind of Performance Budget which I think it should, there is something else that the Council can and should do at once. It should select one or two of the specialized but vast problems which I have identified above, and aim within a year to make a really significant contribution toward that problem in its next report. This would be of immense service to the President, the Congress, and the country. That essential service is rendered in pretense only by the yearly reiteration of discussions at the level of those contained in Chapter IV of the current CEA report.

V. THE INTERNATIONAL ECONOMY

This chapter of the CEA report contains a competent and thorough treatment of the problems of our international balance of payments, in terms of the viewpoint toward this problem which the Council has