This PDF is a selection from an out-of-print volume from the National Bureau of Economic Research

Volume Title: The Task of Economics

Volume Author/Editor: Solomon Fabricant

Volume Publisher: NBER

Volume URL: http://www.nber.org/books/unkn65-1

Publication Date: 1965

Chapter Title: Front matter to "The Task of Economics"

Chapter Author: NBER

Chapter URL: http://www.nber.org/chapters/c5230

Chapter pages in book: (p. -15 - 0)

The Task of Economics

FORTY-FIFTH ANNUAL REPORT A RECORD FOR 1964 AND PLANS FOR 1965 NATIONAL BUREAU OF ECONOMIC RESEARCH, INC. 261 MADISON AVENUE / NEW YORK, N. Y. 10016



COPYRIGHT® 1965 BY
NATIONAL BUREAU OF ECONOMIC RESEARCH, INC.
261 MADISON AVENUE, NEW YORK, N. Y. 10016

ALL RIGHTS RESERVED

The

National

Bureau

of

Economic

Research

was organized in 1920 in response to a growing demand for objective determination of the facts bearing upon economic problems, and for their interpretation in an impartial manner. The National Bureau concentrates on topics of national importance that are susceptible to scientific treatment.

The National Bureau seeks not merely to determine and interpret important economic facts, but to do so under such auspices and with such safeguards as shall make its findings carry conviction to all sections of the nation.

No report of the Research Staff may be published without the approval of the Board of Directors. Rigid provisions guard the National Bureau from becoming a source of profit to its members, directors, or officers, and from becoming an agency for propaganda.

By issuing its findings in the form of scientific reports, entirely divorced from recommendations on policy, the National Bureau hopes to aid all thoughtful men, however divergent their views on public policy, to base their discussions upon objective knowledge as distinguished from subjective opinion.

The National Bureau assumes no obligation toward present or future contributors except to determine, interpret, and publish economic facts for the benefit of the nation at large, and to provide contributors with copies of its publications.

RELATION OF THE DIRECTORS TO THE WORK AND PUBLICATIONS OF THE NATIONAL BUREAU OF ECONOMIC RESEARCH

- 1. The object of the National Bureau of Economic Research is to ascertain and to present to the public important economic facts and their interpretation in a scientific and impartial manner. The Board of Directors is charged with the responsibility of ensuring that the work of the National Bureau is carried on in strict conformity with this object.
- 2. To this end the Board of Directors shall appoint one or more Directors of Research
- 3. The Director or Directors of Research shall submit to the members of the Board, or to its Executive Committee, for their formal adoption, all specific proposals concerning researches to be instituted.
- 4. No report shall be published until the Director or Directors of Research shall have submitted to the Board a summary drawing attention to the character of the data and their utilization in the report, the nature and treatment of the problems involved, the main conclusions, and such other information as in their opinion would serve to determine the suitability of the report for publication in accordance with the principles of the National Bureau.
- 5. A copy of any manuscript proposed for publication shall also be submitted to each member of the Board. For each manuscript to be so submitted a special committee shall be appointed by the President, or at his designation by the Executive Director, consisting of three Directors selected as nearly as may be one from each general division of the Board. The names of the special manuscript committee shall be stated to each Director when the summary and report described in paragraph (4) are sent to him. It shall be the duty of each member of the committee to read the manuscript. If each member of the special committee signifies his approval within thirty days, the manuscript may be published. If each member of the special committee has not signified his approval within thirty days of the transmittal of the report and manuscript, the Director of Research shall then notify each member of the Board, requesting approval or disapproval of publication, and thirty additional days shall be granted for this purpose. The manuscript shall then not be published unless at least a majority of the entire Board and a two-thirds majority of those members of the Board who shall have voted on the proposal within the time fixed for the receipt of votes on the publication proposed shall have approved.
- 6. No manuscript may be published, though approved by each member of the special committee, until forty-five days have elapsed from the transmittal of the summary and report. The interval is allowed for the receipt of any memorandum of dissent or reservation, together with a brief statement of his reasons, that any member may wish to express; and such memorandum of dissent or reservation shall be published with the manuscript if he so desires. Publication does not, however, imply that each member of the Board has read the manuscript, or that either members of the Board in general, or of the special committee, have passed upon its validity in every detail.
- 7. A copy of this resolution shall, unless otherwise determined by the Board, be printed in each copy of every National Bureau book.

(Resolution adopted October 25, 1926, as revised February 6, 1933, and February 24, 1941)

NATIONAL BUREAU OF ECONOMIC RESEARCH

OFFICERS

Frank W. Fetter, Chairman
Arthur F. Burns, President
Theodore O. Yntema, Vice-President
Donald B. Woodward, Treasurer
Solomon Fabricant, Director of Research
Geoffrey H. Moore, Associate Director of Research
Hal B. Lary, Associate Director of Research
William J. Carson, Executive Director

DIRECTORS AT LARGE

Robert B. Anderson, New York City
Wallace J. Campbell, Nationwide Insurance
Erwin D. Canham, Christian Science Monitor
Solomon Fabricant, New York University
Marion B. Folsom, Eastman Kodak Company
Crawford H. Greenewalt, E. I. du Pont de Nemours & Company
Gabriel Hauge, Manufacturers Hanover Trust Company
A. J. Hayes, International Association of Machinists
Walter W. Heller, University of Minnesota
Albert J. Hettinger, Jr., Lazard Frères and Company
Nicholas Kelley, Kelley Drye Newhall Maginnes & Warren
H. W. Laidler, League for Industrial Democracy
Geoffrey H. Moore, National Bureau of Economic Research
Charles G. Mortimer, General Foods Corporation
J. Wilson Newman, Dun & Bradstreet, Inc.
George B. Roberts, Larchmont, New York
Harry Scherman, Book-of-the-Month Club
Boris Shishkin, American Federation of Labor and Congress of Industrial Organizations
George Soule, South Kent, Connecticut
Gus Tyler, International Ladies' Garment Workers' Union
Joseph H. Willits, Langhorne, Pennsylvania
Donald B. Woodward, A. W. Jones and Company

DIRECTORS BY UNIVERSITY APPOINTMENT

V. W. Bladen, Toronto
Francis M. Boddy, Minnesota
Arthur F. Burns, Columbia
Lester V. Chandler, Princeton
Melvin G. de Chazeau, Cornell
Frank W. Fetter, Northwestern
R. A. Gordon, California

Harold M. Groves, Wisconsin Gottfried Haberler, Harvard Maurice W. Lee, North Carolina Lloyd G. Reynolds, Yale Paul A. Samuelson, Massachusetts Institute of Technology Theodore W. Schultz, Chicago

Willis J. Winn, Pennsylvania

DIRECTORS BY APPOINTMENT OF OTHER ORGANIZATIONS

Percival F. Brundage, American Institute of Certified Public Accountants
Nathaniel Goldfinger, American Federation of Labor and Congress of Industrial Organizations
Harold G. Halcrow, American Farm Economic Association
Murray Shields, American Management Association
Willard L. Thorp, American Economic Association
W. Allen Wallis, American Statistical Association
Harold F. Williamson, Economic History Association
Theodore O. Yntema, Committee for Economic Development

DIRECTORS EMERITI

Shepard Morgan, Norfolk, Connecticut N. I. Stone, New York City Jacob Viner, Princeton, New Jersey

RESEARCH STAFF

Moses Abramovitz
Gary S. Becker
William H. Brown, Jr.
Gerhard Bry
Arthur F. Burns
Phillip Cagan
Frank G. Dickinson
James S. Earley
Richard A. Easterlin
Solomon Fabricant
Albert Fishlow
Milton Friedman
Victor R. Fuchs

RESEARCH STAFF
H. G. Georgiadis
Raymond W. Goldsmith
Jack M. Guttentag
Challis A. Hall, Jr.
Daniel M. Holland
Thor Hultgren
F. Thomas Juster
C. Harry Kahn
John W. Kendrick
Irving B. Kravis
Hal B. Lary
Robert E. Lipsey
Ruth P. Mack

Jacob Mincer
Ilse Mintz
Geoffrey H. Moore
Roger F. Murray
Ralph L. Nelson
G. Warren Nutter
Richard T. Selden
Lawrence H. Seltzer
Robert P. Shay
George J. Stigler
Norman B. Ture
Herbert B. Woolley
Victor Zarnowitz



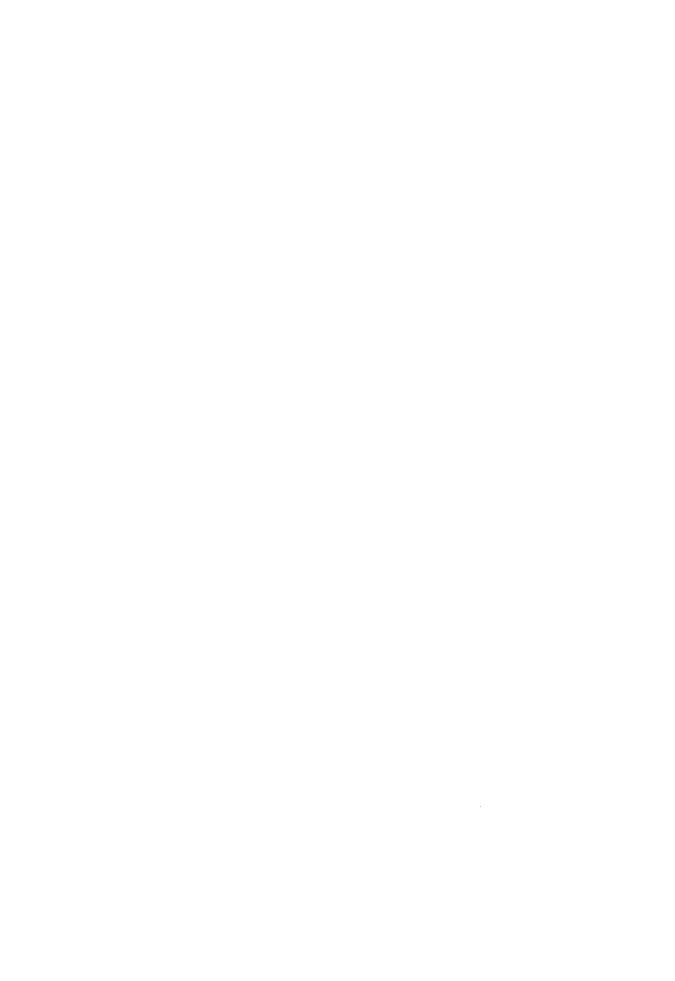
Contents

	PAGE
PART I. THE TASK OF ECONOMICS — SOLOMON FABRICANT	1
PART II. REPORTS ON SELECTED BUREAU PROGRAMS	5
Some Implications of the Growing Importance of the Service Industries —	
Victor R. Fuchs	5
On the Accuracy and Properties of Short-Term Economic Forecasts —	
Victor Zarnowitz	16
Consumer Credit Markets: A Progress Report — Robert P. Shay	25
PART III. Studies New and Completed	33
New Studies	33
Studies Completed	35
PART IV. Staff Reports on Research Under Way	39
1. Economic Growth	39
Tax Policies for Economic Growth	39
Survey of the Use of Alternative Depreciation Methods	
Under the Internal Revenue Code of 1954 — Norman B. Ture	40
Corporate Profits Taxation and Economic Growth — Challis A. Hall	44

	PAGE
Effect of Changes in Tax Laws on Modernization Expenditures	
in the Textile Industry — Thomas M. Stanback, Jr.	45
Personal Capital Gains Taxation and Economic Growth —	
Roger F. Miller	46
The Tax Treatment of Fluctuating Incomes — C. Harry Kahn	47
Effect of Taxation on Personal Effort — Daniel M. Holland	47
Productivity in the Service Industries — Victor R. Fuchs	48
Productivity Growth in Distribution — David Schwartzman	49
State and Local Governments — Ernest Kurnow	50
Barber and Beauty Shops — Jean Wilburn	51
Long Swings in the Growth of Population and Labor Force —	
Richard A. Easterlin	52
Long Swings in Urban Building Activity — Manuel Gottlieb	53
Economic Growth of the Soviet Union — G. Warren Nutter	54
Use of Labor in Soviet Agriculture — Douglas B. Diamond	54
Other Studies	55
2. National Income, Consumption, and Capital Formation	55
Investment in Education — Gary S. Becker	55
Consumer Purchase Plans — F. Thomas Juster	56
The Impact of Public and Private Pension Systems on Saving and	
Investment — Roger F. Murray	57
Projections of Private Pension Plans, 1962-82 — Daniel M. Holland	d 57
Philanthropy in the American Economy — Frank G. Dickinson	57
Estimates of Private Giving — Ralph L. Nelson	58
Other Studies	58
3. Business Cycles	59
·	
General Studies	59 50
Study of Short-Term Economic Forecasting — Victor Zarnowitz	59 60
Econometric Model Forecasts — Jon Cunnyngham Recognition of Cyclical Turning Points — Rendigs Fels	64
Business Cycle Indicators — Julius Shiskin and Geoffrey H. Moore	64 64
GNP Revisions and Forecasting Accuracy — Rosanne Cole	66
Statistical Indicators — Geoffrey H. Moore	67
~ the transfer of the control of the	01

	PAGE
Fluctuation in Stocks of Purchased Materials on Hand and on	
Order — Ruth P. Mack	68
Labor Turnover — Charlotte Boschan	70
Money and Banking — Milton Friedman and Anna J. Schwartz Source Book of Statistics Relating to Investment — Robert E. Lipsey	72
and Doris Preston	72
Electronic Computer Applications — Gerhard Bry and	
Charlotte Boschan	72
Other Studies	73
4. Financial Institutions and Processes	73
Interest Rates	73
The Mortgage Market — Jack M. Guttentag	73 74
Yields on Direct Placements — Avery B. Cohan	75
Cyclical Behavior of Interest Rates — Phillip Cagan	76
Trends and Cycles in Corporate Bond and Stock Financing —	, 0
George R. Morrison	76
Banking Markets and Bank Structure — Donald P. Jacobs and	
George R. Morrison	77
Consumer Credit — Robert P. Shay	77
Consumer Finances — F. Thomas Juster	78
Rate Structure in Automobile Financing — Robert P. Shay	79
Finance Rate Ceilings — Wallace P. Mors	79
The Quality of Credit in Booms and Depressions — James S. Earley The Quality of Mortgage Credit — James S. Earley and	79
John P. Herzog	81
Income from Employment Under the Personal Income Tax —	
C. Harry Kahn	82
Other Studies	82
5. International Economic Relations	82
Exports of Manufactures by Less Developed Countries — Hal B. Lar United States Performance in International Trade — H. G. Georgiadi International Price Comparison Study — Irving B. Kravis,	•

	PAGE		
Robert E. Lipsey, and Philip J. Bourque			
Foreign Trade and Business Cycles — Ilse Mintz			
Other Studies	90		
PART V: Conferences on Research	91		
Conference on Research in Income and Wealth	92		
Universities-National Bureau Committee for Economic Research	93		
Conference on Measurement and Interpretation of Job Vacancies	94		
Visitors to the National Bureau	95		
PART VI: Directors, Officers, and Research Staff	97		
PART VII: Finances and Sources of Support	99		
Authors of Studies Completed or in Process During 1964-65	101		
National Bureau Publications	105		
Contributions and Subscriptions	116		
How National Bureau Publications Are Distributed:			
How to Order Publications	117		



National Bureau of Economic Research.
The task of economics.

(Its Annual Report, no. 45). New York [c1965].

HC0025.N3

MATERIAL SUBMITTED BY PUBLISHER.

2,005,902

National Bureau of Economic Research.

The task of economics.

(Its Annual Report, no. 45). New York [cl965].

HC0025.N3

MATERIAL SUBMITTED BY PUBLISHER.