Chapter V - Research and
Planning Activities

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RESEARCH AND PLANNING ACTIVITIES

The Civil Aeronautics Board in October 1965 undertook a significant reorganization of its economic staff, an action growing out of a Presidential directive calling for Federal agencies to develop better planning and programming facilities. At the Civil Aeronautics Board, the reorganization was aimed at developing more meaningful analysis and interpretation of economic data for the Board to use in arriving at decisions.

Central to the reorganization was the formation of the Bureau of Economics which includes the main economic advisory and research staff and separate operating divisions dealing with rate, fare and subsidy matters.

Through its Division of Planning, Programming and Research, the Bureau of Economics also is responsible for forecasting and trying to anticipate developments of likely consequence for the air transportation system in time to avert potential crises where possible. This Division coordinates Civil Aeronautics Board economic planning and is organized into three sections:

Economic Planning and Programming: The support functions of this section are to prepare and recommend economic policies and objectives and translate them into specific programs for the Board's consideration and possible adoption; and to recommend both changes in Economic and Procedural Regulations and items for the legislative program. The section also assists other CAB components where matters of economic significance are involved and it coordinates economic studies they perform. In autumn 1966, the functions of the Defense Coordinator were transferred to this section.

Economic Research: This section investigates in depth economic matters which may form the basis for Board plans and policy. The section's research may also provide bases for establishing guidelines for future Board policies.

The effort includes long-range projects aimed at improved understanding of air transportation's basic economic characteristics; review and evaluation of air transportation trends and general economic conditions; forecasts of such factors as traffic, capacity and financial status; and improvement of statistical technique in collecting, analyzing and evaluating economic and statistical air transport data.

Economic Performance Evaluation: This section evaluates economic performance of individual carriers, carrier groups and the whole air transport industry to provide historical and current information for use within and outside the Board. It also analyzes and interprets current and anticipated industry economic trends and relates airline trends to concurrent developments in other transportation modes and in the general economy.

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