into a controversy as to whether there should be a tax cut, whether there should be more spending or a combination of the two. So, let it go at fiscal ease.

Mr. SPRINKEL. If I were to subscribe to the statement, I would have to interpret fiscal ease as meaning a tax cut of the type which would stimulate investments and increase incentives in the Nation. It seems to me that monetary policy cannot really result in a resource reallocation toward more investment, higher productivity. This must be done largely through getting the present tax bite off that kind of activity so with the type of tax cut designed to stimulate investment which would result in fiscal ease, I would certainly be in agreement.

I would not be in favor of a vast increase of Federal spending at this time which would also be fiscal ease.

Representative REUSS. Thank you. Any other comments?

Mr. RITTER. Yes, Congressman. First, I don't know whether this panel has really done as good a job as you say, but in any case I do want to add myself along with Mr. Culbertson to the Wisconsin contingent, since I have my doctorate from Wisconsin and spent many happy years there.

Representative REUSS. That is why you are also good, one from Wisconsin and one from Chicago.

Mr. RITTER. I wanted that in the record. I agree by and large with what you say in your summary statement. I don't think it can be expected that you would get agreement among the four, yourself, and the three of us, on every point. By and large a program for increasing employment and growth through monetary-fiscal policy, improvement in our balance-of-payments adjustment mechanism, and so on, I go along with, I would say, 90 percent, if I had to give a figure.

I would like to add several brief amendments of my own that, for my part, I would emphasize slightly more, I think, than you have. I am not quite as critical of current monetary policy or recent past monetary policy as my fellow panelists seem to be. What I am afraid of is that monetary policy may become tighter than it has been.

I am not sure whether it has been tight. It seems to me it has been reasonably easy thus far. What I am concerned about is that it may become less easy. So I would not criticize the past behavior of the Federal Reserve quite as much as my fellow panelists, or as much as I think you might.

Secondly, I would stress that if we adopt easy-money policies—and I say we may already have had them, I find it hard to judge whether monetary policy has been tight or easy—and easy fiscal policies, then I would have to mention the danger of cost-push inflation.

Of course, this is a danger that we faced long before the balance-of-payments problem ever came into the picture. It was a thing that we were worried about back in 1955 and 1956, long before people started to worry about the balance of payments. This is a problem that has deep roots and I don't know how to solve it. As we expand, prices seem to go up long before we have full employment, and this worries me. If we could correct this, I think we would have no trouble on balance-of-payments grounds. This is our problem, not the balance of payments.