is not enough, that is the real rub of the President's palliative. It is only $2 billion at best. That is all that the 7-percent credit amounts to, and that isn't going to make any real impact on this situation, where one of your members says the world is already going to be in a depression, no matter what you do, if you try to stop this inflation, because it has already run away. Therefore, I ask you this question.

Though you may try to make a case for it, and that is all right, and I suppose we will vote it as a matter of fact, if it is the best we can do, isn't it a fact that the only way to meet this is with a tax increase across the board or in some other way that will produce some real money in terms of somewhere between $5 and $10 billion?

Mr. BLOUGH. There can be no question, Senator, that $10 billion makes more impact on the economy than $2 billion makes. However, I believe there is considerably more incentive involved in $2 billion of investment credit than in $2 billion of increase or decrease in taxes.

Senator JAVITS. And isn't it a fact that this is a critically important incentive money, because what is happening to you is that you need to increase productivity? It may be that you can leapfrog this whole situation, if you had some unbelievable burst in activity.

For example, it is analogous in my mind to what might happen to Britain, which is in terrible trouble, if this North Sea gas find should really be the tremendous asset which it might turn out to be. So that really it has two difficulties. It is too small, it is too late—and it may be very well counterproductive, going completely down the wrong road under present circumstances.

Mr. BLOUGH. May I respond, Senator. I think that the counterproductiveness is almost altogether based on the question of timing, and whether we have hit the wrong time for it. But, certainly, the big increases in capacity——

Senator PROXMIRE. I just can't resist asking if you will yield? That was the reason I expressed the National Industrial Conference Board finding and the lag which the best expert we could get at that time said was involved in this thing. It takes a year, and in a year industry may be cutting back anyway.

Mr. BLOUGH. If you decrease somebody's burden and then try to put it back on him again, you have troubles, but if you put a burden on him and find that it is too much, it is not difficult to take it away quickly.

The Congress has never been willing to give this kind of option to the President, but if the Congress is not willing to give this kind of discretionary action to the President, then the Congress should put itself in a position to take quick action itself.

It seems to me that if the proposed action turns out not to be needed, or if it seems to be heading us into more of a downswing than is desired, that it should not take the President and the Congress very long to reverse the action.

On the general point that unless one believes that more and still more investment is always a good thing for a country, there must be some time when more investment isn't a good thing for a country. I think that this is such a time, since the country's resources are under substantial pressure in this area.

I do not think this is a world-shaking development and probably it should have come sooner. If we are unwilling to use the fiscal tools