

ECONOMY IN GOVERNMENT

WEDNESDAY, MAY 10, 1967

CONGRESS OF THE UNITED STATES,
SUBCOMMITTEE ON ECONOMY IN GOVERNMENT
OF THE JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The Subcommittee on Economy in Government met, pursuant to recess, at 10:10 a.m., in room 4221, New Senate Office Building, Hon. Thomas B. Curtis, ranking minority member of the subcommittee, presiding.

Present: Senators Proxmire and Jordan; and Representative Curtis.

Also present: John R. Stark, executive director, and Ray Ward, economic consultant.

Mr. CURTIS. Inasmuch as Senator Proxmire is engaged in a number of other tasks, he has asked me if I would open the meeting here. The subcommittee will be in order.

We are pleased to have with us today the Honorable Martin R. Gainsbrugh, senior vice president and chief economist of the National Industrial Conference Board. I want to personally say how happy I am to see you here and express my personal appreciation for your being willing to give us the benefit of your wisdom.

Chairman Proxmire's letter to Mr. Gainsbrugh will be included in the record at this point.

(Letter referred to follows:)

APRIL 27, 1967.

Mr. MARTIN R. GAINSBROUGH,
Chief Economist, NICB,
845 Third Avenue,
New York, N.Y.

DEAR Mr. GAINSBROUGH: I am pleased that you will be able to testify before the Subcommittee on Economy in Government of the Joint Economic Committee on May 10, 1967, at 10 a.m. (room to be announced later), concerning the Government's business activities in their relation to economy in Government.

It is a subject of high priority inasmuch as the Government's role vis-a-vis the private sector is an initial step toward achieving economy in Government. The scope of the Government's business activities and their impact on the business and the tax structures at Federal, State, and local levels are subjects also of great importance to the Subcommittee.

Your analysis of President Johnson's memorandum of March 3, 1966, and Budget Bureau Circular No. A-76 as effective instruments for dealing with the "Government in Business" problem will also be of value.

Please furnish 100 copies of your prepared statement to Room G-133, New Senate Office Building, Washington, D.C., at least one day before your appearance on May 10th.

Under separate cover we are sending you copies of the 1966 hearings and report of the Subcommittee on Procurement and Regulation. If any additional in-