industrial and artistic uses approximate another $150 million per year. Future purchases and sales of gold by official foreigners cannot be predicted, but so long as the United States continues to run large balance-of-payments deficits, it is reasonable to expect additional gold losses for that reason as well.

It seems inevitable then that the removal of the present gold cover requirement must come and the question becomes essentially one of timing. By acting now the Congress could erase any doubt or uncertainty due to this requirement that might affect confidence in the dollar.

There is an inescapable practical requirement that we maintain an adequate gold stock to back up the role of the dollar as a key currency in world trade. Hence the need to conserve our gold stock will continue to exert a disciplinary influence on monetary and other governmental policies.

All of us need to be mindful that sound money is not established by statute alone. In the end, our nation cannot have sound money unless its monetary and fiscal affairs are well managed. The fundamental elements in keeping our financial house in order are sound and equitable fiscal and monetary policies.

Representative CURTIS. In these summaries Mr. Martin says, "It is for these reasons that I am firmly convinced that we must have adequate, effective—and above all—prompt tax action that would whittle down the prospective deficit for the coming fiscal year to one of manageable proportions."

Skipping, "I would be prepared now to support an even higher amount * * *. But we should not delay in coming to grips with the problem, for delay would permit inflationary forces to gain momentum * * *. I am equally in favor of holding down or cutting back Government spending wherever that is possible * * *" et cetera.

You are familiar with Mr. Martin's remarks, I trust, Mr. Ackley?

Mr. ACKLEY. Yes.

Representative CURTIS. Are you in accord with his presentation?

Mr. ACKLEY. I would say that I am generally in accord with what Mr. Martin had to say on taxes.

Representative CURTIS. Now, what worries me is this term "prompt." During the debt ceiling interrogations of the Secretary of the Treasury before the Ways and Means Committee both in public and private, I tried to find out what was meant by "prompt" tax action. In the budget message of January the decision was made that the tax increase of 6 percent should go into effect July 1. Obviously, the administration has backed away from that date. Mr. Fowler, and I hope I am quoting him accurately, said that from an economic standpoint the administration still wanted to do this.

I then supplied the term "political." I said, "It is for political reasons that the administration doesn't proceed." He did not like the use of the term. I said I was trying to use it as a descriptive term meaning the forces before the Congress, and so forth. What is the administration's judgment? If they think that economically this is necessary, it's strange that the President doesn't send up a message as to whether it should be this amount or something even higher. Moreover, the administration says nothing about cutting back Government spending in the nondefense areas which Mr. Mills, chairman of the Ways and Means Committee, said, if I don't misquote him, he felt was a necessary basis for this. What is the administration's view here? If they mean prompt, what are they doing about it?

Mr. ACKLEY. Mr. Curtis, as you know, I am not the official spokesman for the administration in these matters and I don't feel in position to predict in any precise way what the administration may wish to propose or urge on the Congress beyond what it has already proposed and urged.