

Mr. BATTIN. Generally in this connection we had before the committee a while back a request to suspend the investment tax credit. The economy was heating up too fast in the opinion of many and this could cause some serious consequences.

The investment tax credit was suspended. Then later, earlier this year, we were asked to reinstate the tax credit because the economy was becoming sluggish and was not producing the anticipated revenue.

Now in the committee today we are talking about a 10-percent temporary proposed surtax. I asked this of Mr. Ackley and received his opinion or his expression, but I am not so sure that there aren't some who would use the tax laws as a means of regulating the expansion or the reduction of our economy.

Would you care to comment on that?

Dr. MADDEN. I think there is no question at all that there is a highly influential group of economists who would indeed use the tax laws to regulate the economy in preference to changes in expenditures in the Federal Government. These men argue that expenditure totals should be set by some judgment of the value of the program and that then tax rates should be changed frequently in order to adjust the deficit or surplus to economic conditions.

Indeed, as you well know, these people propose to remove the responsibility for individual tax changes from the committees of the Congress and lodge it in the arms of the President of the United States who would make these decisions at his own discretion within a broad guideline.

Mr. BATTIN. I have just perhaps one other comment and it goes to questions that have gone to witnesses, none of whom so far has been an elected Member of Congress, as to where cuts should be made.

I always had the feeling that the people in the district that I represent elected me to make those decisions. If I make the wrong one then they have a choice every 2 years as to what they are going to do about it, but surely what you might think is a good cut in your own mind and in your own feeling about any given program might not agree with mine. I would suggest to the members of the committee that today and during the balance of this week on the floor of the House they have a great opportunity to make some cuts with the NASA appropriation bill up and the authorization for foreign aid.

We have a real chance to aid the President in every way possible to bring down spending in line with his target, and I promise you as one that I won't shirk my responsibility.

Thank you very much.

The CHAIRMAN. Any further questions? Mr. Watts.

Mr. WATTS. I have listened with a great deal of interest to some of the questions that have been propounded here. I am inclined to agree that it would be wonderful, as Mr. Landrum suggested and Mr. Ullman suggested, if you could come in with some proposals as to where the cuts ought to be made.

I know you did come in with a program in the early part of the year. Of course, I don't want to leave the final decision up to you or to any other group.

Mr. WINTER. We appreciate that.

Mr. WATTS. I know where you all want it cut and I know where labor organizations would cut. I know where farmers would cut. While