

Elementary and Secondary Education Act which directs more funds toward those areas where poverty is particularly severe. All those measures are directed toward making this group of teenage workers more acceptable to employers, giving them the skills and education that they need.

Now, we expect that this year's MDTA program will have a much larger proportion of positions for disadvantaged workers rather than for workers who already have considerable skills, and we are trying to develop the whole manpower program in directions which will have a maximum impact on those who find it most difficult to get into employment.

We now have a whole spectrum of programs and those are under continuous examination to see that they are as effective as they can be.

Mr. ACKLEY. I might add on that that the MDTA program has specifically been redirected in two ways that help deal with this problem.

First, greater attention to younger people. There have been a series of amendments to the Manpower Development and Training Act which have permitted a greater emphasis (a) on the relatively unskilled and disadvantaged, and (b) on younger workers. This is only one part of the redirection and expansion of training efforts directed particularly at the disadvantaged youngster.

Representative MOORHEAD. Has the Council taken any position on the guaranteed annual income or the negative income tax, or is this premature?

Mr. ACKLEY. I think it is highly premature. We have expressed interest in this as a proposal. It has been made from a number of quarters, as you know—both from those who describe themselves as “liberals” and those who describe themselves as “conservatives.”

We think it is a sufficiently interesting idea that it ought to be studied. We said so in our 1966 report.

This year the President has suggested that a commission of distinguished Americans ought to take a couple of years to look in close detail at the problems that are presented by this kind of proposal and by alternative proposals such as a complete recasting of the public assistance system, or residual public employment for the disadvantaged. These are all new ideas.

I do not think anyone has studied them enough to be ready to say that they are good or bad. They certainly ought not to be rejected, and they certainly ought not to be accepted; but they are sufficiently interesting that they ought to be studied.

Representative MOORHEAD. Thank you, Mr. Chairman.

Chairman PROXMIRE. Thank you. Congressman Rumsfeld?

Representative RUMSFELD. Mr. Ackley, last year the defense expenditures were seriously underestimated. Chairman Proxmire euphemistically has called it a major economic policy blunder.

It is my understanding that last year before this committee that you indicated that there is a group that meets once a month to coordinate policy that includes Secretary Fowler, Mr. Martin, yourself, and Director Schultze.

I am curious to know whether Secretary McNamara or a representative of the Defense Department is involved in this coordinating activity, and if not, would not representatives of DOD possibly lead to better information from your standpoint?