

we try in every way possible to pursue an economic course for our country that is free of politics. If we can only make changes in off-election years, you just cannot make changes because elections come around every 2 years.

I can recall about 9 months ago in St. Louis a newspaper column carried a story when I said I felt a tax increase was necessary. How horrified my campaign managers were, but I did not really receive any adverse comments at all from businessmen, consumers, or bankers. I think there was an acceptance by the country at that time that something had to happen. When we see these tremendous deficits that have been revealed to us for this current fiscal year, and the deficit we are facing in the future, and now in a softer economy, with automotive sales down, concern about capital expenditures at the end of this year, I wonder whether the New York Times was not absolutely right when they stated the other day, on the 29th of January, "In essence the President is now doing most of the things that should have been done a year ago."

What economic forces exist within the administration to see that we do the right things, whether they are politically difficult or not? If someone running for office could suggest a tax increase and not lose an election as a result of it, why cannot the administration do things that seem to be necessary at the time?

Mr. ACKLEY. I think, Senator, I would respond again by saying that the question of a tax increase—in addition to those that were actually proposed and enacted—was one that was under continuous consideration in the administration, and to some extent the administration was in touch with the leadership of the Congress with respect to this, and with the leadership of the business community.

You may recall the famous meeting the President had in late spring with a large group of the principal business leadership of this country in which he explored their views on the question, and they did not coincide with the one you have just expressed.

Indeed, the opposition in the business community, as I understand it, and the Congress, was rather strong to further measures at that time.

The role of the Council in the Government is a difficult one. We are professionals, essentially nonpolitical, I hope. We do not believe that we ought to make the Government's economic policy. We believe our role is to provide the President and his other advisers with the best economic analysis and information that we can. We feel that so long as that information is listened to and understood, and our views are sought, that we have done our job.

I do not think that it would be appropriate for the President to make economic policy on the basis of advice from nonpolitical experts. His decisions must embrace a much larger compass of objectives and considerations. But I would say that we feel that we have had the opportunity to present to the President and his other advisers and to the country the best economic analysis of which we are capable.

I certainly do not pretend we are always right or will be right in the future. Matters such as taxation are broad questions, with many implications, that have to be decided on the basis of a large number and a wide variety of considerations.