Secretary FOWLER. That is correct. Just because the revenue estimates have been conservative in other years may not prove to be the case this year. I recognize this is an annual event. All I am saying is that I think the cumulative record of the President is deserving of a little bit more recognition than it seems to have received.

Representative BROCK. I appreciate it. I think that what Senator Proxmire and a number of the rest of us have been seeking is some hope that the specific annual budget will be as accurate as possible.

Secretary FOWLER. We try to make them just as accurate as we can, but Congressman Brock, when you get a war it's a ripe time for estimating errors.

Representative BROCK. I am very much aware of that, sir. Let me ask you just a couple of questions related in general to dealing with our balance-of-payments problem. The administration has asked for authority to raise or lower the interest equalization tax between zero and 2 percent. Do you envision this as an opening wedge to obtain more general Presidential authority?

Secretary FOWLER. No, I do not. Very much to the contrary. This is a very special situation, in which this tax functions to offset the gap between our structure of interest rate levels—which has always been somewhat lower than the continental Europeans'—and those abroad. It's a compensating element, and it seems undesirable to come up—if that gap should change for the first 6 months of the year—and ask the Congress, because you always have to make it backdated to the date when the request is made. Otherwise a lot of built-in inequities would be created that would have to be taken into account. I think this is a very special and unique situation dealing with capital flows that ought not to create any precedent or any carryover effect on the general function of the Congress in levying for revenue purposes.

Representative BROCK. I can understand the logic, but I think the concern that I fear and that some other people fear is over the impact such legislation would have upon the investor, because it just adds one more factor of uncertainty.

When Congress acts, at least whether right or wrong, at least he knows where we are going, but if there is this sword hanging over the market, he never knows what is going to happen next, and I think it creates a great state of flux and perhaps more instability, or it could lead to that, and this is my concern.

Secretary FOWLER. I will try to deal with that when we come up with the interest equalization tax proposal.

Representative BROCK. Let me ask you one more question. The former Under Secretary of the Treasury, Mr. Roosa, has suggested he fears this might be a crucial year for the dollar, if the balance of payments should increase substantially this year.

Secretary FOWLER. Every year, as far as I'm concerned, is a crucial year for the dollar, Congressman Brock.

Representative BROCK. I am aware of that.

Secretary FOWLER. And this will be no exception.

Representative BROCK. The items which gave us a favorable balance last year, is there a potential for a continuation of that trend this year? I am speaking particularly as it relates to interest rates in this country. You suggested that we could foresee a reduction in interest