

Chairman PROXMIRE. Senator Percy?

Senator PERCY. Mr. Chairman, I would like to commend the chairman on his wisdom in not having business come in one day and labor another day, but having them both here at the same time. I have long felt that labor and business have so much in common in our objectives of having an expanding and vigorous economy that it is very helpful indeed to have both of your viewpoints.

I am glad to see Beryl Sprinkel, a prominent banker from Chicago, who is a dear personal friend of mine.

Obviously the President feels that there is a great deal in common between labor and business. I would like to know your own feelings and attitudes toward the proposed merger of the Department of Commerce and the Department of Labor. I am interested not so much from the organizational structural standpoint, but if it is to be called the Department of Economic Activity, whether or not you feel the economic activity of this country could be stimulated by having both labor and commerce in one department.

Mr. MADDEN. I would be glad to start the commentary. I think first of all that the semantics of the original proposal of the Department of Business and Labor was unfortunate because it called attention to the areas of dispute that have been traditional between business and labor, and thus aroused fears on the part of people not knowing what the policy was, since it occupied only a couple of lines in the State of the Union message.

Business is somewhat in the same position now as it was then, since we have not yet had a concrete proposal, which we could examine. However, it seems to me from my own experience and knowledge as an economist that there are many areas between the existing Labor Department and the existing Commerce Department in the collection and analysis of statistics, and in the formulation of broad economic policy based upon this kind of study that would, other things being the same, favor a merger of the two Departments.

However, again the Chamber of Commerce has no position on this, so I am speaking on my own judgement, and without the benefit of a concrete proposal on which to comment, but I would like to add one other thing.

It is, it seems to me, time not only for this kind of merger between the two existing Departments, but also for consideration of the relationship of programs in other departments to this proposal, such as programs in OEO, which are now somewhat floating in the governmental structure, that relate to manpower development, to training, and to improving skills, that there are some programs in agriculture that likewise relate to the general problem of economic development, and it may be that this would prevent us from developing an Agriculture Department with more employees than we have farmers, and I think there are rooms for other such consolidations and coordinations of the Government, which so many people recognize is subject to so much overlapping and duplication as a result of the new programs enacted recently, which have not been digested.

One further point. The area of serious and practical disagreement I believe between labor unions and corporations is going to be over the handling of what the scholar tends to call the parochial interests of each group. I think that the Congress should be flexible in