

estimates which were prepared for the National Commission on Technology, Automation and Economic Progress. Their conclusions are summarized in this table:

Estimate of Potential Source of New Jobs Through Public Service Employment

<i>Source of employment</i>	<i>Job potential (millions)</i>
Medical institutions and health services.....	1.2
Educational institutions.....	1.1
National beautification.....	1.3
Welfare and home care.....	0.7
Public protection.....	0.35
Urban renewal and sanitation.....	0.65
Total	5.3

We should all gain from the access of human care and attention, the sheer increase in the quantity of social kindness that filling these jobs would entail. The men and women who did the work itself would regain the dignity and the sense of participation which are in our society inseparable from the performance of useful work.

Can we afford the \$2 billion necessary for the creation of these half million jobs? No economist could say that we lack the resources. Whether we also possess the wish is not for an economist to say.

What I have said implies a financial cost. For the next fiscal year, my policies would bear these price tags:

	<i>Billion</i>
Restoration of Great Society programs to authorized levels.....	\$3
Public service employment.....	2
Initial movement toward income maintenance.....	5
Total	10

Can we afford this much? \$10 billion is a redistribution of only 1¼ per cent of GNP. Or again, consider that we have in the last three years reduced taxes by some \$20 billion each year. At worst this program would require tax increases of half that amount. If de-escalation or recession requires us to think once more of major fiscal stimulus, here is a desirable way to apply stimulus without raising taxes at all.

As a nation we are accustomed to raising our taxes in order to finance our military security. It is not wild to think that we might acquire if not this year very soon the equally desirable habit of increasing our taxes in order to meet our social needs.

Chairman PROXMIRE. Thank you very much Professor Lekachman. Dr. Wallich, you said in your remarks:

The Council of Economic Advisers is not adequately informed by the Defense Department on defense spending.

Are you referring to the estimate that was made early in the year of the cost of Vietnam for fiscal 1967 and how far they were from the mark?

Mr. WALLICH. That is the basic and overt estimate. It is also the impression from simply reading the newspapers, but I cannot refer to any particular quotation that neither the Budget Bureau nor the CEA can say very much about the outlook for expenditures.

Chairman PROXMIRE. Nor the Congress. The public and the Congress are not informed; is that correct?

Mr. WALLICH. That is correct.

Chairman PROXMIRE. What can we do about this? We proposed years ago that there be quarterly budget reports and quarterly estimates. It would seem to me that at least in something as uncertain