constructive way. And so I think we ought to be moving much more towards performance requirements on stated problems as a disciplining device, and not simply be adhering to the older village truths.

Representative GRIFFITHS. Senator Symington?

Senator SYMINGTON. Dr. Maxwell, I would narrow this discussion from the standpoint of what we could do here. As the chairman has pointed out, we have a problem which involves appropriation of money for an increase in programs.

Many people are apprehensive about increases, the cost of the war, the growing unfavorable balance and so forth. How much money do you think, as a rough estimate, additional money, we should put in the budget this year to create tax sharing with the States?

Mr. MAXWELL. I started my statement, Senator, by saying that I don't think this year you should do anything with respect to tax sharing by the States beyond what is built in already.

Senator SYMINGTON. Then how about next year?

Mr. MAXWELL. Well, I can't time when we are going to get out of the mess, and some of the other members of the panel agree with some of you that maybe are never going to get out of it. I am more optimistic and think that we are.

Senator SYMINGTON. Suppose we never get out of it. Are you still for doing something in the way of revenue sharing?

Mr. MAXWELL. That is too hard a question. I can't answer it.

Senator SYMINGTON. Dr. Penniman, could I ask you how much money you think we should——

Miss PENNIMAN. I ducked it before and I guess I am inclined to duck it now. I fall back in part on the fact that I am not an economist and I think there are some economic problems here. Yet to put some figure, I think we have got to start out, and I too do not believe we can wait.

I think that the suggestion that Walter Heller really is less concerned about fiscal drag than something else, I think perhaps is true, and I would be sympathetic if it is true.

If we are going to try to set a goal, say in 3 years of $5 billion, as the amount of shared tax money, then perhaps this year what we want to do is $1 billion. These are terribly rough figures. And I certainly would not want to be held to them. But it seems to me there is something of this kind of momentum we are talking about.

Senator SYMINGTON. Thank you. How about you, Mr. Ecker-Racz?

Mr. ECKER-RACZ. Your question is how much revenue sharing I would be willing to support this year?

Senator SYMINGTON. How much do you think that the Congress, this committee, for example, should recommend to the Congress be put into the revenue sharing plan this year?

Mr. ECKER-RACZ. Senator, may I reply this way. I think in the present circumstances I would support a revenue sharing plan probably only if it were coupled with some requirement that the States make more effort themselves; for example, through the device of an income tax credit.

If it were in this context, then even this year, I would support enlarging the deficit to begin putting more money into the State-local revenue stream.

It would not disturb me, for example, if the U.S. Congress in effect undid the 1964 tax reduction over the next few years which is now