

Mr. McKenna. The National League also urges that the following action be taken by the Congress to hasten the day when the Federal Home Loan Bank Board's statutory authority over dividend rates payable on savings can be allowed to expire.

The Congress should adopt as soon as possible a 10-percent surtax on Federal income taxes to last as long as the Vietnam war continues and should coordinate with the executive branch of the Federal Government in reducing Federal Government expenditures to the extent necessary to achieve a balanced budget in the coming fiscal year ending June 30, 1969. A balanced budget in fiscal 1969 is essential if we are to restore confidence in the dollar.

I realize that it is never an easy task for the Congress or the administration to reduce Federal expenditures. But I sincerely believe that it is time to substitute gumption and brains for discussions about guns and butter. If we do not set about putting our economic house in order by using fiscal measures as well as monetary measures, perhaps we had better triple the appropriations for our space exploration programs so we can all go to some other planet and start anew.

We are now facing the realization that unless we can restore free world confidence in the dollar, it will adversely affect world trade and industrial expansion.

We still have the world's major source of gold—some \$11.4 billion worth.

We still are producing goods and services at a rate of \$800 billion a year. We still have a full work force capable of producing even faster—faster, at any rate than any other nation.

We still have a good strong financial system in this country, and as we have historically always been a trading nation, our trade position still is good.

No other country can match the stability of our currency, despite our increasing inflation.

Despite all this, we face a crisis unmatched in the history of our Nation. What is the answer?

I do not pose as a monetary or economic expert. But I do want to express—as one citizen—my deep concern over this predicament which we face, and urge what I believe are specific solutions:

First, it is imperative that we balance our national budget even if we have to make cuts across the board.

It is not possible for us to achieve all our goals at one and the same time. We must have the political courage to admit that we are once again on a war economy.

This means we must make drastic cutbacks in our domestic programs. We must make wartime demands on our citizens. I realize this is an unpopular position to take in a time of seeming prosperity.

I realize this could mean that such programs in Florida as the Cross-State Barge Canal, the space program at Cape Kennedy, even the badly needed Federal highway program must be curtailed or postponed. But if this must be, then we as citizens should face this fact and urge such curtailments.

I also believe that it is vitally necessary for the Congress to approve the 10-percent tax surcharge.

It is imperative that the administration take positive, identifiable steps to redress the balance-of-payments deficit immediately.