

that will move us below 3.5 percent that are not inflationary. Certainly, inflation alone does not improve skills of anybody, nor does it give us greater efficiency.

Senator PROXMIRE. I agree with that. I thought you were nodding your heads at the elements that are pushing prices up, to wit, whatever it takes in terms of political sacrifice, a real tough effort to try to hold wages down somewhat closer to productivity increases, recognizing that it will be a hard political fight, but fight hard for holding wages down to a 5-percent guideline.

Have you finished, Mr. Rolph?

Mr. ROLPH. I would like to speak to this matter you just mentioned, that a redistribution plan has no productivity. In the first place, there are a lot of poor people who are not getting enough to eat. It is very hard to work effectively if you do not have enough to eat. What is even more important quantitatively, and very important generally, is the productivity of children.

Senator PROXMIRE. I certainly did not mean to say it has no productivity; it certainly does. It has great social justice implications and is far better, I think, than the present welfare system. But I do say it does not have the productivity that a job has, does not have the dignity that a job has, or even the acceptability to the poor that a job has.

I have gone out here to Resurrection City and talked to the people out there. They want jobs. People come here from Milwaukee and Madison, came here for the Poor People's March. They want jobs.

Now, it is true that you make a very strong case that many people cannot work. Those people, because they have somebody in the family who can work, are excluded. That is a problem I think you have addressed yourself to very well. But I think the jobs are not only acceptable to Congress and acceptable to the generality of the American public, but the poor want jobs, too.

Mr. ROLPH. May I speak to that?

Senator PROXMIRE. Certainly.

Mr. ROLPH. As Mr. Watts here indicated, a lot of poor people are working full time. They are just not very productive. These people are, by and large, left out in the cold as far as all existing welfare programs are concerned. Their children are not being properly educated and a large part of the problem—not all of it, by any means—is that children are not given the proper amount of home care because the parents do not have enough money.

Now, it is extremely important that we do not continue this cycle of poverty. We have to bring these children out of these circumstances. Just to sit, for this country to sit, and do nothing about these millions of poor children seems to me to be incredible.

Senator PROXMIRE. I certainly agree.

Mr. Watts?

Mr. WATTS. First of all, on the question of what is the appropriate fiscal stance for this country to be taking, I perhaps differ from some of my colleagues here in suggesting that I would really like to see us move down toward 3 percent in the unemployment rate. I do not really have an independent judgment as to whether the budgetary actions that have been taken constitute overkill in this problem of eliminating