

ways to match people with jobs that are being made available and with job training. Is that fair to both of you?

Mr. HAZLITT. Fair to me, yes.

Mr. THEOBALD. Can I respond thus? Let me start from an old economic statement, that employment has moved through primary level; agriculture and mining; and through the secondary stage; manufacturing; and now the bulk of employment is in services. I think we now have to make a sharp distinction between administrative services, such as banking, which are going to be taken over by the computer, and human services, which are not. I would suggest that our problem is that many human services are not suitable for being carried out as a job. I think I may need to challenge the view of our chairman by saying that perhaps some people would rather not go out to work but rather be permitted by the society to see rearing their children as work. I think if we would justify raising your children as work, so that people did not feel in a sense that they were bums simply because the main thing they are doing is working with their children—

Representative RUMSFELD. What do you do for a promotion?

Mr. THEOBALD. I think one statistical change would do much to straighten up economic policy. I suggest that we include in the national economic statistics the value of a woman's work in the home. I share your view that we should provide an opportunity for women to work. But I am not sure I share your apparent belief that it is better for them to leave the home.

Representative GRIFFITHS. I would like to say to you, Mr. Rumsfeld, I think that tax bills have so many loopholes in ratio to the number of the words in the bill.

Senator PROXMIRE?

Senator PROXMIRE. I would like to ask Mr. Theobald, in the first place, on the cost of this proposal you make, I realize it is hard for anyone to make a computation, but it would be most helpful to us if you could make some sort of an estimate. Dr. Tobin stated that one of his proposals, computed on the basis of 1962 prices, and of course, the prices would now be higher, would be \$49.3 billion. Now, this provides for an income of \$800 per person, with a somewhat smaller payment for children, a total payment, as I recall, of \$3800 for a family of eight, and a 33 $\frac{1}{3}$ -percent tax rate. So that it means, of course, there could be a real incentive for people to work and to move away from this.

I assume with present prices and perhaps with a termination of the Vietnam war and with the fiscal restraint we are exercising, it could be bigger than \$49.3 billion by quite a bit. This is really a tough problem for us.

Mr. Hazlitt, the points he has raised are genuine political problems to everybody in Congress. We have to find that money somewhere. We have to impose heavier taxes on those who are politically very powerful. How do you suggest we do move in this area?

Mr. THEOBALD. I quite frankly do not know the costs. I think this is a political-technical question. When a decision was made to create a Common Market in Europe nobody knew exactly how to get to the Common Market. If we are going to move on economic reform, we have to have a time schedule. It is not going to be done in 1 year. It is