

rational thought to expect a nation of 200 million people to get along with the same service level of its people as it did when it had only 100 million people. With the prospect of a growth to 300 million by the 1990's, it is obvious that the responsibilities of the Federal Government, instead of decreasing, will probably be increased. The major reason for this increase, in our judgment, will be the stresses put on our institutions at the state and local level—stresses which will result in a continuing demand for increased assistance from the Federal Government.

Grange members do not like to pay taxes any more than anyone else. However, if it becomes a choice between the irresponsible evasion of present duties which will result in simply postponing the "day of judgment", or accepting our responsibilities like mature citizens of a great country, then we stand at the side of those who propose a responsible course, and we are prepared to support the actions to accomplish the objectives of a responsible national policy.

In conclusion, the 1968 Report of the Council of Economic Advisers and the statistical information accompanying it, indicate a strong and vigorous economy. The Report indicates the points of weakness in our economy as well. If we have enough wisdom and vision to base our judgments upon sound economic conditions, instead of on irrelevant political concepts and irresponsible partisanship, then the future of this Republic is indeed bright. If we are going to bog down because of our reluctance to make the necessary difficult economic decisions, if we are afraid to take the political consequence of an economically responsible attitude, then this weakness and vacillation shall inevitably be reflected in the kind of life we live and the levels of prosperity we fail to attain.

Chairman PROXMIRE. Thank you very much, Mr. Graham. You set a fine example of brevity and conciseness, and we appreciate it a great deal.

Our next witness is Mr. Angus McDonald, director of research for the National Farmers Union.

Mr. McDonald.

STATEMENT OF ANGUS McDONALD, DIRECTOR OF RESEARCH, NATIONAL FARMERS UNION

Mr. McDONALD. Mr. Chairman, we, too, appreciate the invitation to appear here and express our views on the President's Economic Report and, particularly, on the views of the President's Council.

In past years we have been very critical of some of the reports of the Council of Economic Advisers and, unfortunately—perhaps it is unfortunate—we continue to be very critical of this Report because we think it is entirely inadequate. It does not get to the roots of the farm problem, and it neglects certain areas such as high interest and the lack of bargaining power of the farmers.

It also does not seem to be aware of the managerial revolution that is going on at the present time in regard to agriculture.

The Council in the very few pages which it devotes to agriculture concentrates on supply and demand and on the poverty situation. There is little that the commercial farmer can find which would indicate that the Council has any awareness of his problems.

The Council is under the illusion, I believe, that we have a free market in agriculture. This is an inference, but it is lacking, it is lacking in the problem, for example, of economic concentration which, I believe, is responsible for many of the problems which the farmers face today and have faced for many years.

The Federal Trade Commission reports once more that there are about a thousand mergers, acquisitions, which have been made in the last year or so.