

he very consciously knew what he was doing when he made the recommendation that you commend and with which I agree and which is the last part of your paper.

The reason that I am so relieved by your testimony is that I now understand what I conceive to be a miscalculation in it, a major one, but a legitimate one. The one kind of expenditure that the Congress finds totally uncontrollable is the expenditure for any war to which the United States has committed itself.

There has never been a time in our modern history when the Congress of the United States has cut a dime, to my knowledge, out of the request by a President when we have troops in the field fighting, and the shift that has taken place has been a shift in domestic spending.

If we did not have the extra \$30 billion roughly that the figures would indicate is involved in Vietnam on an annual basis, we would not only have a balance, we would be having the tax decrease that you suggest was implied in the 1963 policy. So, I find myself largely in agreement with much of what you say but for that one reason in disagreement with your conclusion except for the fact that I heartily agree with the last three pages of your statement. I am a very relieved man for from my point of view all of the experts were then unanimous.

Thank you, Mr. Chairman.

Chairman PROXMIRE. Would you like to reply?

Mr. TURE. Before Mr. Bolling leaves, I want to thank him for his commendatory remarks. I think there is scarcely any misapprehension but for a shade, perhaps.

I would agree wholeheartedly, Mr. Bolling, with your proposition as to the Vietnam expenditures. They do account for a substantial part of the total Federal expenditures.

I have no basis, however, for disputing your opinion as to whether or not it is possible for us to repress the growth of other Federal expenditures. But if, in fact, it is the preference of the Congress and the country not to do so, then we ought to finance these expenditures, not because we are trying to even out a short-term deviations—

Representative BOLLING. I do not even disagree with that.

Chairman PROXMIRE. Congressman Bolling has to make that rollcall.

Mr. Ture, I would like to find out first if I properly understand your position which is somewhat different than I anticipated it was before you appeared today. You feel, as I understand it, that it is a mistake to use taxation, or indeed fiscal policy, as a device for economic stability; that is, as a conscious device, we should not temporarily increase or decrease taxes or temporarily increase or decrease spending in order to achieve stability. Is that correct?

Mr. TURE. Shortrun stabilization, yes; precisely. I think the Federal Government should get out of the business of trying to stabilize the economy in the short run.

Chairman PROXMIRE. You do feel that nondefense spending has been rising too rapidly and that it should be retarded. Without going into all the details of the budget, this is a matter of long-standing commitment.

Mr. TURE. Let me modify that statement, sir.

Chairman PROXMIRE. Yes.

Mr. TURE. As an economist, I have no opinion to offer. I point out merely the fact that nondefense expenditures have been rising very