

thesis; the CEA adds little if anything to its exercise of responsibilities by listing them.

*The issue of what the Federal Government can afford*

While there are many vitally important issues in connection with serving more adequately our great domestic priorities, the outstanding single issue today is how much the Federal Government through the Federal Budget can and should contribute toward these great priorities, in view of the high and rising international burden. This towering problem should be dealt with in depth in any mature CEA report at this time, on both a short-range and a long-range basis. It is a problem incomparably more important than the balance-of-payments problem, to which the CEA report turns with such meticulous diligence.

*The issue of urban-rural balance*

It is true that there is a lot that we do not yet know about the optimum-distribution pattern of population within the United States, and there is a lot that we will never know about it. But we do know that, since World War II, the Federal Government has adopted changes in the national farm program which have contributed to the brutal deflation of a farm income, in the thought that by thus driving millions of people off the land we would cure the "overproduction" of farm commodities and thus bring per capita farm income toward reasonably parity with that of others. We do know now that this policy has failed miserably. We do know also that the assumption among most economists and others that the farmers driven off the land would find employment and improved living standards in urban areas has been proved to be a tragic illusion; major portions of them have found unemployment and despair in the cities, and have aggravated almost every one of the critical problems in our urban areas.

The intensity of these profound maladjustments would never have come to pass, if the CEA during the past 15 or 20 years had recognized that the so-called farm problem was and still is one of our greatest overall economic problems and if, correspondingly, the CEA had recognized that farm policy should have had and still should have quite as important a place in the work and reports under the Employment Act as price-wage policy or fiscal policy.

*The issue of the war against poverty*

Another salient example of CEA default is that the treatment of poverty in the current CEA report adds little or nothing to what can be found in other current sources. Yet, broadly conceived, what to do about poverty is the most pressing and stupendous problem involved in the management of our economic resources, and especially with respect to the role of the Federal Government in the deployment of these resources.

For the past 10 years at least, the work under the Employment Act should have focused very largely upon policies directed toward the liquidation of poverty. And during the several years since the official declaration of the war against poverty, taking into account the disillusion and dangers which have arisen in the course of that war, the