

response to the administration's request for tax action, but I respectfully submit that no real administration muscle was used in the drive for it.

I would also remind the administration that long before it began to support a tax surcharge, the minority members of this committee warned that fiscal restraint was essential to maintain and moderate economic expansion. While the administration manipulated the time stream of Government revenues, pressured labor and business to comply with wage-price guidelines and secured the suspension of the 7 percent tax credit—a device to stimulate the expansion and growth of our productive capacity—we continued to point out that these makeshift measures merely postponed the day of judgment.

Further, had the administration vigorously campaigned for the tax surcharge it proposed and willingly considered the reservations we in Congress expressed, we could have avoided the terrible legacy of accelerated inflation left for the new administration.

But what remains unfinished by the old administration is a challenge to the new. Where the President's Economic Report looks longingly at past achievements—and that is their warranty—we must be concerned with the future. Where the old administration recites the successes of economic policy, we must examine and rectify its failures. For it is not in past achievement that the future can be secured, but only by what we do here and now and in the coming months and years.

Thank you so much, Mr. Chairman.

Chairman PATMAN. Mr. Barr, you are recognized. You may proceed, sir. Joseph W. Barr, Secretary of the Treasury. We are glad to have you.

STATEMENT OF HON. JOSEPH W. BARR, SECRETARY OF THE TREASURY

Secretary BARR. Thank you, Mr. Chairman.

With your indulgence, Mr. Chairman, I would like to say just a few personal words, sir.

Mr. Chairman, you have served in this Congress for many, many years and you have done many great things, but I cannot think that anything you have done in your career is as crucially important as your work with the late Senator Taft in establishing this committee and in establishing the Council of Economic Advisers to serve the President of the United States.

I have been an insider and outsider, Mr. Chairman, as you know. I have been on both ends of Pennsylvania Avenue. This is a prestigious committee that attracts some of the best minds in the Congress. The Council of Economic Advisers, almost since its inception, has attracted some of the best minds in this country. Mr. Burns, Mr. Saulnier, Mr. Heller, Mr. Ackley, and now my distinguished colleague, Mr. Okun. These men may disagree but their degree of professionalism, Mr. Chairman, is superb.

I will submit, sir, that in your long career there is nothing that you have done for this country that has had a more lasting benefit.

Now, Mr. Chairman, on a slightly more personal note, you may be dismayed to read in the papers this morning that I am going to leave