

Secretary BARR. May I respond, Senator? I think you are aware—at least as I am aware as an ex-member of this club—of the great dangers in moving on congressional prerogatives. Now, under the Constitution—and you know I need not tell you how jealously the House guards this and the Ways and Means Committee guards it—they have the right to receive tax recommendations and act on them, sir.

Now, I quite agree that this committee needs this information, and I have worked out an orderly procedure, as I indicated, with Chairman Mills; and the Ways and Means and Finance Committees have agreed that next week, when Ways and Means is organized, they will instruct the chairman to request this information from Secretary-designate Kennedy. He has agreed to transmit it.

Senator PROXMIRE. Well, I understand that.

Secretary BARR. And at that time they will make the committee print available to all.

Senator PROXMIRE. What I am saying is I hope this will not be viewed as taking the Joint Economic Committee out of the action on tax reform recommendations or anything of the kind in the future.

Secretary BARR. No, sir.

Senator PROXMIRE. We have to have it.

Secretary BARR. May I comment?

Senator PROXMIRE. And it is just as essential to us as it is to the Ways and Means or Finance Committee.

Secretary BARR. I agree. I am not sure they do, but I do. [Laughter.]

Representative GRIFFITHS. Mr. Chairman, if you will yield, I do not know how the Senate Finance Committee got a copy.

Secretary BARR. They do not have a copy.

Representative GRIFFITHS. Or why they will get a copy. [Laughter.]

Secretary BARR. Well, I will be very candid here. The discussion in the joint committee was that the proper way to proceed was for the House to move first. The House is not organized. It was agreed that the Senate could get it. Senate Finance is an appropriate committee. But they did agree that in accord with the age-old procedures that have been followed in this Congress, that the House would move first. I am satisfied because we have a commitment. I am not going to comment, Mrs. Griffiths, on the procedures of the Congress of the United States since I am no longer a Member.

Senator PROXMIRE. Mr. Okun, you speak of the need for fiscal restraint. At the same time, you concede the enormous impact of the defense expenditures. The engine of inflation that you refer to in my view, is largely fueled by military expenditures and there is evidence that defense programs are loaded with fat. The last year's Congressional Quarterly—late last year, in November—indicated that there was \$10.8 billion which they felt could be excised from the defense budget and I thought they made an excellent specific case in saying just where it ought to come out.

Now, the Economic Report hardly discusses defense expenditures. In view of its importance, do you not think the Council should analyze the economics of defense spending?

Mr. OKUN. Senator Proxmire, I think we do take up the economic impact of defense spending. The very serious problems in the efficiency of the defense program and the planning of it are, I think, rightfully