

commence with lifting the exemptions plus elevating some of the rates, from somewhat above the middle-income levels upward, such elevation retracing the pattern of the personal income tax reduction of 1964. Corporate taxes should be increased, possibly along the lines of the 1964 reductions, but preferably on a more progressive basis. Some Federal deficit should be run, until optimum resource use is restored;

(5) The monetary policy has been and still is atrocious. We need a much more stable and a much more liberal monetary policy, a much more selective monetary policy, and insistence upon the proposition that the Federal Reserve System and all its works must be subordinated to the requirements of the Nation and its people, through subordination to the general economic policies and programs of the Federal Government itself. This probably requires legislation. Monetary policy should be nationalized, within the Economic Reports of the President;

(6) We need to reexamine thoroughly the causes and consequences of inflation, thus transmuting the treatment of this important economic and social problems from unrealism to reality, and from slogan to substance. We should establish new institutional devices for concerted consultation on this subject among industry, labor, and Government. This consultation should be integrated with consultation regarding the overall development of the CEA Annual Report and of the long-range economic and social budget which should be contained therein;

(7) We need to accelerate greatly the war against poverty, to streamline its efforts, to integrate it with general economic and financial policy, so that the striking force of a unified national policy may be brought to bear upon the liquidation of poverty in America within decade;

(8) We need, as part and parcel of the war against poverty, and for many other reasons, to achieve within a decade decent homes, adequate educational opportunity, and good medical care for all our people. These, fully quantified and supported by implementary policies, should be essential elements in the long-range goals within the CEA Annual Reports;

(9) We need to dispel the dangerous and diverse dichotomy or competition between our domestic requirements and our international requirements, and recognize that we have the resources to meet both adequately, if need be, by willingness to limit the nonessential;

(10) We need to concentrate far more than we have upon reversing the persistent degradation of farm life and incomes and the disparities in our rural areas, and start building the people who live in these areas, instead of driving them elsewhere, as we have done by the millions during recent years. We need, in this connection, to budget and fulfill the duty to provide a balanced and nutritious diet for every American. These goals, also, should be essential elements in the CEA Annual Reports;

(11) We need to guarantee, not only sustained full employment, but also at least minimum-decency incomes, through a unified nationwide program initiated and supported mainly or entirely by the Federal Government, for all those *who cannot be brought within the employment stream*. This should not compete with a full-employment policy,