Chandler Advocates Program For More Economic Growth

By JARED HAZLETON


Dr. Chandler contended that even though the Employment Act established broad responsibility of the Federal Government for promoting maximum employment, production, and purchasing power, "it did not provide a blueprint for action, for it did not define in operational terms either its objectives or its methods of implementation."

He said that these problems were left to be worked out later, and satisfactory solutions have not yet been found.

DR. CHANDLER pointed out that even though our nation's efforts at promoting economic stability in the postwar period have been a "qualified success," much remains to be done. "Aggregate demand and actual out-

put will have to rise far above present levels if we are to avoid excessive and growing levels of unemployment," he said.

A major obstacle in solving this problem is the multiplicity of the nation's economic, political, and social objectives, said Dr. Chandler. "We continue to debate about maximum employment, economic growth, price level stability, and considerations relating to our balance of payments and international reserve position."

Dr. Chandler contended that the problems of maximum employment and economic growth could best be attacked by expansionary fiscal policy in the form of tax reduction, and increases in government expenditures. He said these measures would increase aggregate demand without endangering our balance of payments situation.

BY THE SAME token, he re-

jected expansionary monetary policy because it would tend to raise interest rates and create additional drains on our international reserves.

Dr. Chandler emphasized that the achievement of an adequate level of aggregate demand would create additional difficulties in promoting price level stability and equilibrium in our balance of payments.

He concluded, "We must be prepared for the possibility that the task of promoting economic stability will become more difficult rather than less so."