

tested and refined under Project Cloud Gap, a joint effort with the Department of Defense.

In the economic impact field, the Agency has engaged in studies, several in conjunction with other Government agencies:

To measure the distribution of defense production and employment;

To analyze defense labor reemployment or "mobility"; and

To determine possible impacts of reduced defense demand on specific industries, segments of the economy, and regions of the country.

Additional studies related to these and other arms control and reduction concepts, past and future, are identified in the Synopses of Research Projects on Arms Control and Disarmament sponsored by the Agency through calendar year 1964, and in our summary presentation submitted to this committee.

WHAT WE PROPOSE TO DO

In the future, we plan to give continuing research emphasis to such things as economic impact studies and the further development and field testing of verification procedures. The design of verification and inspection instruments will become a major part of the Agency's program for the first time.

The most urgent mission of the Agency today is the prevention of nuclear spread—a problem made more immediate by the Communist Chinese explosion and the rapidly developing capability of other countries to follow suit.

The possession of nuclear weapons by more individual countries, some of which may be unstable, can increase the chances of accidental war and the consequent escalation of local conflicts. Even small or underdeveloped countries could possess enough bombs to trigger a worldwide nuclear exchange.

The dimension of the problem is illustrated by the fact that about 40 countries of the world possess reactors used in peaceful atomic energy programs. Some are very small research reactors which will not produce plutonium in any amounts we need to worry about. But some which are already in operation are large power reactors. Our own Yankee reactor at Rowe, Mass., produces in 1 year about 80 kilograms of plutonium. This is enough for quite a number of crude bombs. Similar plants are now in existence, under construction, or planned all around the world.

The secret of the atom is no longer the monopoly of one or two or four countries. It is within the grasp of many. U.S. atomic energy legislation has delayed the spread of nuclear know-how, but as Secretary Rusk said in supporting the creation of ACDA before this committee in 1961, "Nature does not play favorites in yielding up its secrets." The danger has been recognized by the Congress, and Presidents Truman, Eisenhower, Kennedy, and Johnson. But the time for combating it is running out.

To curb nuclear spread we will seek agreement among nations:

That assistance in the manufacture of nuclear weapons not be given to nations which do not have them, and that nations which have nuclear weapons not transfer them into the national control of nations which do not;