

# TO AMEND FURTHER THE ARMS CONTROL AND DISARMAMENT ACT

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## HEARINGS BEFORE THE COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES EIGHTY-NINTH CONGRESS FIRST SESSION ON H.R. 2998 A BILL TO AMEND THE ARMS CONTROL AND DISARMAMENT ACT, AS AMENDED, IN ORDER TO INCREASE THE AUTHORIZATION FOR APPROPRIATIONS

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JANUARY 26 AND 27, 1965

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## TO AMEND FURTHER THE ARMS CONTROL AND DISARMAMENT ACT

TUESDAY, JANUARY 26, 1965

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON FOREIGN AFFAIRS,  
*Washington, D.C.*

The committee met, pursuant to notice, at 10:25 a.m., in room H-322, the Capitol, Hon. Thomas E. Morgan (chairman) presiding.

Chairman MORGAN. The committee will come to order.

The committee meets this morning in open hearings to take up H.R. 2998, the Arms Control Agency bill. Before I call on the witness, I recognize Mr. Monagan.

Mr. MONAGAN. Mr. Chairman, members of the Subcommittee on Europe have prepared a report on their recent trip behind the Iron Curtain. I would like to ask authority to print this as a House report with the usual disclaimer.

Chairman MORGAN. This is the report of the survey of certain European countries made by your subcommittee last fall?

Mr. MONAGAN. Yes.

Chairman MORGAN. Is there any objection?

There being no objection, it is so ordered.

Mr. MONAGAN. Thank you.

Chairman MORGAN. I would like at this time to introduce the new members of the committee. Will each stand as I call his name: Mr. Rosenthal from New York.

Mr. ROSENTHAL. Thank you, Mr. Chairman.

Chairman MORGAN. Mr. Roybal from California.

Mr. ROYBAL. Mr. Chairman.

Chairman MORGAN. Mr. Culver from Iowa.

Mr. Hamilton from Indiana.

Mr. McVicker from Colorado.

And our old friend and former member, Mr. James Fulton. Mr. Fulton is not present. He has reported that he will be late, but we welcome him back to the committee.

I want to apologize to the new members because we do not have places for you at the table, but now that the committee has grown to 36 members, you can see that we do not have room. I have written a letter to the Speaker pointing out our space problem in the hope that we might be able to move in our new committee room in the Rayburn Building before March 1. That seems to be the earliest moving date. I explained to the Speaker that we are going to start the hearings on the foreign assistance bill possibly some time next week and we would like to be in the new room so that the committee could work properly.

Mr. FRELINGHUYSEN. Mr. Chairman, if the hearings begin next week and we won't get in the Rayburn Building until the first of March, I would think the hearings would be through before we move.

Mr. GROSS. You might talk to the contractor, Mr. McCloskey.

Chairman MORGAN. He is a good friend of mine; we have his permission to move.

Mr. GROSS. That is fine.

Chairman MORGAN. Our witness this morning is the Honorable William C. Foster, the Director of the Arms Control Agency. Mr. Foster has with him Adrian S. Fisher, Deputy Director; Dr. Herbert Scoville, Jr., Assistant Director, Science and Technology Bureau, ACDA; Lt. Gen. Fred M. Dean, Assistant Director, Weapons Evaluation and Control Bureau, ACDA; George Bunn, General Counsel and Chief of Congressional Liaison, ACDA; Albert M. Christopher, Assistant General Counsel and Congressional Liaison, ACDA; and Joseph Donelan, Jr., Executive Director, ACDA.

Mr. Foster you have a prepared statement and you may proceed, sir.

#### STATEMENT OF HON. WILLIAM C. FOSTER, DIRECTOR, ARMS CONTROL AND DISARMAMENT AGENCY

Mr. FOSTER. Thank you, Mr. Chairman. I think it would be wise perhaps to read this. It will not take too long. It is designed to give you a bird's-eye view of what we have in mind and why.

So Mr. Chairman and members of the committee, I am appreciative of this opportunity to appear before you today in support of the legislation extending the Agency's authorization for appropriations.

We are requesting an authorization of \$55 million for the 4-year period of fiscal years 1966 through 1969. This is the only amendment to the Arms Control and Disarmament Act we are proposing.

#### OBJECTIVES

We interpret the mission of the Arms Control and Disarmament Agency as complementary to the mission of the Military Establishment. My own experience as a former Deputy Secretary of Defense, and now as Director of the Arms Control Agency, has emphasized for me the common purpose of both missions. Both are integral parts of a complex whole dedicated to advancing this country's objectives and keeping it secure.

Arms control measures can, first of all, help to make adequate national defense possible at present force and armament levels, and ultimately at lower levels. There are uncertainties here, of course, just as there are uncertainties in maintaining the present rough balance of deterrence as arms continue to build up on both sides.

The point is that it is possible to maintain balance at a given level—or on a downward plane—as well as on an upward spiral.

In the second place, arms control measures offer a means of correcting a situation in which a disproportionate amount of our national resources goes into armaments.

Third, if we can slow down the nuclear buildup—and inhibit the further spread of nuclear weapons—we can reduce the chances of nuclear war and the devastation such a war might bring.

The task of pursuing realistic arms control measures requires a great range of knowledge if our national interest is to be adequately protected. That knowledge must come, in large part, from the Agency's research program. We have allocated approximately two-thirds of the \$55 million requested authorization for the next 4 years to this program.

Through its research, the Agency seeks to:

- Evaluate the feasibility of arms control and reduction concepts in today's world and in the future;

- Shape realistic measures to control and reduce arms, and to lessen the risk of war by accident or design;

- Develop and test verification procedures to assure compliance with such measures; and

- Appraise the impact possible measures might have.

#### WHAT WE HAVE DONE

Agency research, backstopping, and negotiating efforts contributed to the limited nuclear test ban treaty, the "hot line" between Washington and Moscow, and the U.N. resolution against the orbiting of nuclear weapons.

Our activities also supported the measures proposed by President Johnson to the Geneva Disarmament Conference in his message of January 21, 1964. These measures included proposals for a freeze on the numbers and characteristics of bombers and missiles capable of delivering strategic nuclear weapons; for a system of observation posts to reduce the danger of war by miscalculation or surprise attack; for a verified cutoff in the production of fissionable materials for weapons use, and for various other steps to curb the spread of nuclear weapons.

In a broad sense, almost all of our studies have some relationship to the urgent question of nuclear spread.

Over 15 contract and Agency staff studies have been made on subjects related to the strategic nuclear delivery vehicle freeze.

Several ways in which the Soviets might violate an agreement were explored.

The impact of such a freeze and the significance of possible violations were assessed.

- Critical items for inspection were identified.

- Modes of inspection were studied.

- Methods for testing verification procedures were formulated and pursued.

Studies concerned with reducing the risk of war have, for example, included:

- An examination of the functions of observation posts;

- How to detect and identify indicators of military threat at such posts;

- The basic processes of escalation and deescalation of conflicts; and

- A joint effort with the Defense Department on the importance of the availability of information to strategic stability.

The area of research to which the Agency has allocated the most funds is verification and inspection. Procedures to assure compliance with a variety of possible agreements have been studied, then field

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;

That all transfers of nuclear materials and equipment for peaceful purposes take place under effective international safeguards;

That such safeguards be applied in increasing measure to the peaceful nuclear activities of all nations;

That nuclear powers halt the production of fissionable materials for use in nuclear weapons under effective safeguards, and that they transfer large quantities of such materials from military to peaceful uses; and

That nuclear weapon tests of every kind—below ground as well as above—be halted under verified arrangements.

We believe that an all-out campaign along these lines can go a long way toward containing the nuclear threat. If it does not in the end, it will at least buy us time. And in a world of change and uncertainty, time is a precious commodity. If we have time, we can use all our knowledge to chart and rechart our course in response to new developments.

In transmitting this draft legislation to Congress, President Johnson emphasized the importance of arms control and reduction to the pursuit of peace. He said,

\* \* \* it is my purpose to intensify our efforts in this critical area. I am determined to work in every way that I can for safeguarded agreements that will halt the spread of nuclear weapons, lessen the risk of war, and reduce the dangers and costly burdens of armaments.

In order to move forward toward these goals, we need the authorization for appropriations recommended by the President. We believe a 4-year authorization would better enable us to pursue these goals. Statutory authority for a longer period than our present 2-year authorization will be more conducive to the long-range research planning required to meet security and negotiating requirements. It will also help recruit and hold key personnel and it will lend more emphasis to the continuing nature of our determination to reduce the danger and devastation of war through arms control.

Thank you.

Chairman MORGAN. Thank you, Mr. Director. For the benefit of the new members, let me say that this committee operates under the 5-minute rule. Each member is allowed 5 minutes to question the witness. We hope we will be able to finish with Mr. Foster today, but if we don't finish today he will be glad to return tomorrow, and everybody will have an opportunity to ask questions.

Mr. Foster, you have been operating under a 2-year authorization which will expire on June 30, 1965.

Mr. FOSTER. That is correct.

Chairman MORGAN. Your 2-year authorization was for \$20 million?

Mr. FOSTER. That is correct, sir.

Chairman MORGAN. Now you are asking for a 4-year authorization in an amount of \$55 million?

Mr. FOSTER. That is correct.

Chairman MORGAN. Mr. Foster, will you break down in rough figures approximately how much of the \$55 million will go into the administration of your Agency and how much will go into research?

Mr. FOSTER. Two-thirds will go into research; one-third into administration, roughly. That means the administration would be \$16,800,000.

Chairman MORGAN. And about \$38 million——

Mr. FOSTER. \$38,200,000 into research.

Chairman MORGAN. Compared with the figures you have presented here today for the fiscal year beginning with 1966, for the next 4 years, how much of an increase per year are you asking? Let's take administrative funds first.

Mr. FOSTER. We are asking for this year, this coming year 1966 fiscal, we are asking for an increase of \$500,000 over what we received in 1965 fiscal. And in 1967 we would maintain that level. In 1968 we would ask for an additional \$200,000, and in 1969 that would remain at the figure for 1968; namely \$4,300,000.

Chairman MORGAN. So your figures have not been substantially increased over what they are going to be in 1965?

Mr. FOSTER. No; we have asked for some additional personnel in an attempt to save quite a lot of money that had previously been spent on the outside contracting by doing some of that research work in-house. The only increase therefore is really the increase in the 24 positions which we are asking over our present levels.

Chairman MORGAN. Mr. Foster, how much do you spend—intend to spend in fiscal 1965 on research?

Mr. FOSTER. \$5,400,000, of which approximately one-half is committed or obligated.

Chairman MORGAN. What will be the approximate figure you would plan on spending in 1966 if this authorization carried, if you received the appropriation?

Mr. FOSTER. We are requesting \$8,200,000 approximately, which is an increase of \$2,800,000 over the present level.

Chairman MORGAN. Is there any specific reason that you are asking for this increase in research projects?

Mr. FOSTER. Yes. There are four major items that we are hoping to increase during the coming year. The research on that very critical item of nonproliferation and related measures we believe should call for an increase of about \$300,000 for this year over last year. The second item which we would like to increase in view of the President's message and our efforts in negotiations is in connection with the reduction of the risk of war—various measures such as observation posts and so on. On that we are requesting in the figures an increase of about a half million dollars. And then the big item which I referred to in my prepared statement of verification, and particularly the new item of the design of specialized instruments for verification and inspection calls for about \$900,000 when one includes the increase in field tests which are associated with that improvement or development of design of the verification instruments.

The last item is a half million dollars for further work in the field of studying and planning for the economic impact of the changes in defense spending and disarmament activities. We are engaged as you know already in a number of such studies with regional authorities, with States and some of this is on our own, some of it is in conjunction with the Defense Department, some of it is in conjunction with the President's Committee studying this, which includes all of the agencies which have a responsibility in this general field.

Chairman MORGAN. Thank you, Mr. Foster.

Mrs. Bolton.

Mrs. BOLTON. Thank you, Mr. Chairman.

It is always good to see you.

Mr. FOSTER. Thank you.

Mrs. BOLTON. I wanted to ask one or two questions about this latest to-do with the Soviet and wondering if the fallout is going far beyond what it should, their denial of this. I wanted to ask you one basic question. Have you been at all convinced that the Soviet Union is going to start a new career and keep its word anywhere?

Mr. FOSTER. Well, Mrs. Bolton, may I tell you what we have done in connection with—

Mrs. BOLTON. I think it would be advisable.

Mr. FOSTER (continuing). With this event. The event took place on January 15.

Mrs. BOLTON. May I interrupt you for a moment and suggest that you include whether this was a deliberate violation or whether it was just what they call accidental?

Chairman MORGAN. Mrs. Bolton, will you yield to me?

Mrs. BOLTON. Of course.

Chairman MORGAN. I have talked to the Director about this and of course he can go only so far in an open session. He has volunteered to come back in an executive session. He is willing to say as much as he can about this today in open session. If he is to give detailed answers to specific questions he would rather come back and talk to the committee in executive session.

Mrs. BOLTON. I agree very heartily in that suggestion. I hope when he does come back he will be more than honest in what he tells us.

Chairman MORGAN. I have always found the Director to be a very frank and honest individual.

Mrs. BOLTON. He has to be.

Mr. FOSTER. I think I can respond to almost all the questions you ask in a way I hope will give you the specific answers to the questions which you have so far given me.

Mrs. BOLTON. Don't go too long because I have another question.

Mr. FOSTER. This will take 3 of your 5 minutes, perhaps. On January 15 the explosion took place and on January 16 the United States made this announcement:

The United States yesterday recorded seismic signals from an event in the Soviet nuclear testing area in the Semipalatinsk region.

On January 19 there was a further development of what we knew and that was a statement by the AEC:

As previously reported, the United States detected through seismic signals a Soviet underground nuclear test in the Semipalatinsk area on January 15 with a yield in the intermediate range. The U.S. detection system has now detected a certain amount of venting connected with the test. The amounts of radioactivity measured to date will not produce measurable exposures to persons. In view of the treaty banning nuclear weapons tests in the atmosphere, in outer space, and underwater, the Department of State has asked the Government of the Soviet Union for information on this event.

Yesterday the Soviet Ambassador came in with an oral message in response to that question. In an oral reply to our inquiry the Soviet Government has stated that a nuclear explosion was carried out deep underground on January 15 and that some radioactive debris was released into the atmosphere. However, the oral reply states that the amount is so insignificant that the Soviet Government excludes the

possibility of a violation of the limited nuclear test ban treaty. The United States is continuing its own evaluation of the facts involved.

Further than that we have come to this conclusion: This particular event—which on the basis of what we now know appears to have been accidental—may have been a technical violation—but again, on the basis of what we know now, it does not by itself represent a threat to our national security or to the purposes of the test ban treaty, nor standing alone does it represent a resumption of testing prohibited by the treaty.

This point of view is not just my own, but represents the considered judgment of the Committee of Principals. Because of the importance of the subject, however, the matter is under continuing study.

Mrs. BOLTON. Sometime you will tell us what your Committee of Principals is. And do you work at all with the Defense Department?

Mr. FOSTER. Perhaps I can answer that by stating that the Committee of Principals consists of the Secretary of State as Chairman, the Secretary of Defense, the Chairman of the Atomic Energy Commission, the Director of Central Intelligence, the Chairman of the Joint Chiefs of Staff, the President's Special Assistant on National Security Affairs, the President's Scientific Adviser, the Director of the USIA, the Administrator of the Space Agency, and myself.

We work on a daily basis with the Department of Defense.

Mrs. BOLTON. May I ask you if you feel that the Defense Department, which has closed 95 military bases, consolidating them and so forth, last November, has reduced our military posture or will this be an improvement?

Mr. FOSTER. The Secretary of Defense has stated that this does not reduce our military posture and it improves the efficiency and the adequacy and the appropriateness of our—

Mrs. BOLTON. The Committee of Principals has examined this and approves?

Mr. FOSTER. That is a judgment which the Secretary of Defense makes—not through the Committee of Principals. The Committee of Principals is designed to work in the field of arms control and disarmament primarily in reviewing, discussing, and recommending to the President the kind of actions—

Mrs. BOLTON. You are, of course, aware that a good many people outside of that group and your group and the Defense Department don't trust the statement that it doesn't impair our military strength.

Mr. FOSTER. You have told me of a number of people who don't trust it. I do trust it.

Chairman MORGAN. I am sure she has in mind, Mr. Director, some Members who have military bases in their districts which are being closed.

Mrs. BOLTON. I don't mean that at all. I want to know the overall impact.

Mr. FOSTER. We have in our Agency nothing to do with the closing of these bases.

Mrs. BOLTON. Of course you don't. I quite agree to that. Have you looked into it at all? Do you know what it does?

Mr. FOSTER. I agree with the Secretary of Defense's evaluation of it on the basis on which he made his decision from the knowledge which I have, which is not my direct responsibility.

Mrs. BOLTON. May I use that please in responding to my correspondents?

Mr. FOSTER. You may.

Chairman MORGAN. Mr. Zablocki.

Mr. ZABLOCKI. Thank you, Mr. Chairman.

Mr. Foster, do I understand that, in addressing yourself to the budget, in reply to the questions asked by the chairman, your answers were to the increases over fiscal years 1965, 1966, and 1967? The chart on page 10 of the summary presentation indicates that the 1968 and 1969 amounts also increased, particularly for contract research, by over \$2 million.

Mr. FOSTER. That is correct, sir.

Mr. ZABLOCKI. Will the same justification apply to the answer that you gave the question of the chairman?

Mr. FOSTER. In the 1966 request I referred to those four items which have led to most of the increase on the research activities, and in 1967, 1968, and 1969 we believe that particularly two of them will continue their increase; namely the design of specialized equipment and also the increase in field tests as well as the increase in the economic studies as we move down this road.

Mr. ZABLOCKI. There will be no other plans in 1968 and 1969 to justify the increase?

Mr. FOSTER. We have no specific major plans other than those to which I have referred. This in other words is a continuing process of increasing our ability to verify and inspect and to develop and understand new proposals leading to arms production and disarmament.

Mr. ZABLOCKI. If, then, you would decide after 2 years of operation that you would need additional projects you would have to come back to Congress for authorization?

Mr. FOSTER. That is correct.

Mr. ZABLOCKI. Therefore, there is no real reason for having a 4-year authorization at this time since your planning for 4 years would be the same or substantially the same? And 2 years' authorization would be sufficient for whatever plans you now have?

Mr. FOSTER. We would not have the same assurance of long-range planning in many of these studies which do continue from one year to another and on which the development of expertise and the buildup of not only our own personnel toward this end but also the buildup in the hands of contractors who are now becoming a very important part of this activity.

The other item of course is the fact that in attempting to recruit the kind of highly trained personnel in both the scientific and political field that we have to, the longer period of authorization is an incentive to those people to come aboard in our organization.

Mr. ZABLOCKI. You have anticipated my next question.

In your justification on the last paragraph of your presentation you did state that a longer authorization would be conducive to recruiting and keeping key personnel. How many key personnel have you lost since 1961?

Mr. FOSTER. Since 1961? I can't answer that. We have probably lost 25 good people we had in 1961. I can give you that exact figure for the record.

(The information follows:)

*Key personnel who have left since 1961*

| Name                                                              | Termination date | Left for—                                                              |
|-------------------------------------------------------------------|------------------|------------------------------------------------------------------------|
| Baker, Vincent.....                                               | Jan. 18, 1964    | State Department.                                                      |
| Barnet, Richard J.....                                            | Feb. 28, 1963    | Institute for Policy Studies.                                          |
| Byroade, Henry A.....                                             | Sept. 12, 1963   | State Department.                                                      |
| Ellis, Robert H.....                                              | Jan. 31, 1964    | Travelers' Research Center, Inc.                                       |
| England, John A.....                                              | Jan. 11, 1963    | Analytic Services, Inc.                                                |
| Gathright, Wreatham.....                                          | Dec. 7, 1963     | State Department.                                                      |
| Goetz, Betty.....                                                 | July 30, 1963    | Freelance writer.                                                      |
| Goodby, James E.....                                              | July 7, 1963     | State Department.                                                      |
| Greenlee, P. E., Jr., captain, U.S. Navy, retired.                | July 31, 1964    | Sylvania Corp.                                                         |
| Gullion, Edmund A., Ambassador, retired.                          | Aug. 9, 1961     | Ambassador to Congo (Léopoldville), then dean, Fletcher School of Law. |
| Holmes, Larry.....                                                | June 5, 1964     | State University of New York.                                          |
| Kiefer, Alexander.....                                            | July 6, 1964     | State Department.                                                      |
| Long, Franklin A.....                                             | Aug. 31, 1963    | Cornell University.                                                    |
| Mathison, Lester F., lieutenant colonel, U.S. Air Force, retired. | Jan. 31, 1964    | Burroughs Corp.                                                        |
| Neasham, Robert S., commander, U.S. Navy, retired.                | Apr. 11, 1963    | Freelance—research censor devices, aerial reconnaissance.              |
| Parker, Edward N., vice admiral, U.S. Navy, retired.              | Oct. 31, 1963    | Consultant—Stanford Research Institute (DOD contract).                 |
| Pugh, George.....                                                 | July 1, 1964     | Defense Research Corp.                                                 |
| Salome, Richard, colonel, U.S. Air Force, retired.                | Apr. 30, 1963    | ITEK Laboratories, Dayton, Ohio.                                       |
| Sonnenfeldt, Helmut H.....                                        | Nov. 26, 1961    | State Department.                                                      |
| Spiers, Ronald L.....                                             | Nov. 3, 1962     | Do.                                                                    |
| Sweeting, Harry W., colonel, U.S. Army, retired.                  | July 31, 1963    | Bendix Corp.                                                           |
| Weingarten, Harry.....                                            | Aug. 16, 1963    | Operations Evaluation Group, Center for Naval Analysis.                |

Mr. ZABLOCKI. I think it would probably justify or not justify your premise. Do you really believe that you need a 4-year authorization to get key personnel?

Mr. FOSTER. I think it will help us.

Mr. ZABLOCKI. Would it be fair to assume that we do not have good Congressmen because our terms are 2-year terms?

Mr. ADAIR. Let's not go into that.

Mr. FOSTER. There is a continuing position for Congressmen and there might not be a continuing position in the Arms Control and Disarmament Agency.

Mr. ZABLOCKI. I think there is less security for an elected Congressman than there is for a qualified person in the administrative branch of Government.

Mr. FOSTER. I am glad to see around this table so many familiar faces.

Mr. ZABLOCKI. One additional question, Mr. Chairman, if I may. On page 3, Mr. Foster, you say that methods for testing verification procedures were formulated and pursued. Then on page 4—and to a degree you have answered this, I realize, in what you propose—you say:

Design of specialized verification and inspection instruments will become a major part of the Agency's program for the first time.

Mr. FOSTER. This is differentiating between general plans for verification and the actual development of the instruments which can carry out that which are meeting the new need which has been developed by the studies which have outlined new processes.

Mr. ZABLOCKI. How then did you test your verification testing procedures in the past?

Mr. FOSTER. Purely on the policy development, some field tests which we have had, which have been done with present equipment.

Mr. ZABLOCKI. Then the statement on page 3 is not really describing an accomplishment?

Mr. FOSTER. Yes, it is.

Chairman MORGAN. The gentleman's time has expired.

Mr. ADAIR.

Mr. FOSTER. We have tested, but we have not made new instruments for that purpose.

Mr. ZABLOCKI. We can probably pursue this further in closed session.

Mr. ADAIR. Mr. Foster, do you feel that you have a good staff now?

Mr. FOSTER. I have an excellent staff.

Mr. ADAIR. On the basis of the existing 2-year authorization, you feel that you do have a good staff?

Mr. FOSTER. That is correct, sir, but I am losing some of them and I have been unable to recruit additional ones that we would like to have.

Mr. ADAIR. Why are you losing these people? Is it a matter of money? Is it a matter of tenure? Is it a matter of better terms of employment in private industry? Where are they going? To private industry?

Mr. FOSTER. Some are going to private industry. Some are going to universities. Some have returned to other agencies from which in effect we had them on loan under a reimbursement activity.

No, I think Congress this year, this past year was very helpful in the pay situation and our top people I think were—several of them who were planning to leave I have been able to keep them on in view of this.

Mr. ADAIR. Under yourself and Mr. Fisher, what is the top?

Mr. FOSTER. Four assistant directors who are paid \$26,000. And of course the grade 18's of which we have a number are \$24,500 as against the old limit of \$20,000. There are several Public Law 313 people who are scientists, who are now able to have also a higher level. That was very helpful indeed. We would like to add to that greater attractiveness of the monetary compensation, the ability to in effect reasonably assure them that this will go on for a longer period than 2 years.

Mr. ADAIR. Although you would have to come back to the Appropriations Committee each year anyway?

Mr. FOSTER. Yes.

Mr. ADAIR. You don't find any inconsistency in that position, Mr. Foster?

Mr. FOSTER. I don't, sir; no.

Mr. ADAIR. Turning to another matter, I am interested in the contracts that you make with private companies, educational institutions in the field of research and development to which you have made reference here this morning. Have you any idea how many such contracts are now in existence, roughly?

Mr. FOSTER. In our Agency?

Mr. ADAIR. Yes; in your Agency.

Mr. FOSTER. Yes; I can give you that. You mean what is currently outstanding?

Mr. ADAIR. I was not interested in the total amount as much as I was in the institutions or businesses with which or with whom they were made. And if that isn't readily available, could you provide such a list for the record?

Mr. FOSTER. Surely. We have had those figures, of course.

Mr. ADAIR. Mr. Chairman, I would ask that that list be made a part of the record.

Chairman MORGAN. Without objection, it is so ordered.  
(The information follows:)

# U.S. ARMS CONTROL AND DISARMAMENT AGENCY

Contracts and grants, fiscal years 1962 through Dec. 31, 1964

## TO AMEND FURTHER THE ARMS CONTROL ACT

13

| Contractor                                                                  | Number                                          | Date           | Title of study                                                                                                                                                                    | Amount    |
|-----------------------------------------------------------------------------|-------------------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Aerospace Corp., 2400 El Segundo Blvd., Los Angeles, Calif.                 | ACDA/ST-13                                      | Jan. 11, 1963  | Implications and inspection of restrictions on missile and military space systems research, development, test, and evaluation activity.                                           | \$217,700 |
|                                                                             | ACDA/ST-13, amendment No. 2.                    | Apr. 24, 1963  | Analyze the technical problems involved in converting sounding rockets to surface-to-surface missiles.                                                                            | 4,418     |
|                                                                             | ACDA/ST-43                                      | Mar. 9, 1964   | Concepts relating to control of R.D.T. & E. in areas of ballistic missile and military space systems development.                                                                 | 120,000   |
|                                                                             | ACDA/ST-43, amendment No. 1.                    | June 23, 1964  | do.                                                                                                                                                                               | 60,000    |
| American Academy of Arts and Sciences, 280 Newton St., Boston, Mass.        | ACDA/IR-7, grant.                               | June 21, 1962  | Alternatives in the conduct of conflict: Behavioral science research toward peace.                                                                                                | 15,000    |
| Aspen Institute for Humanistic Studies, Box 219, Aspen, Colo.               | ACDA/ST-52                                      | May 25, 1964   | Arms and arms control in the 1965-75 decade.                                                                                                                                      | 36,500    |
| Battelle Memorial Institute, 605 King Ave., Columbus, Ohio.                 | ACDA/E-48                                       | Apr. 21, 1964  | Implications of reduced defense demand for electronics industry.                                                                                                                  | 107,000   |
| Bendix Systems Division, Bendix Corp., 3300 Plymouth Road, Ann Arbor, Mich. | ADCA-1                                          | Feb. 6, 1962   | Techniques for monitoring production of strategic delivery vehicles.                                                                                                              | 150,000   |
|                                                                             | ACDA-1, amendment No. 1.                        | Nov. 9, 1962   | To describe U.S. strategic missile technology.                                                                                                                                    | 19,000    |
|                                                                             | ACDA/ST-6                                       | June 25, 1962  | Verification requirements for arms control and disarmament agreements.                                                                                                            | 95,000    |
|                                                                             | ACDA/ST-16                                      | Mar. 13, 1963  | Evaluation of combined techniques for monitoring levels and production of strategic vehicles.                                                                                     | 218,500   |
|                                                                             | ACDA/WEC-18                                     | Apr. 9, 1963   | Design of field test of inspection in production of strategic delivery vehicles.                                                                                                  | 158,500   |
|                                                                             | ACDA/WEC-18, amendment No. 2.                   | Mar. 30, 1964  | To provide for additional technical/professional effort.                                                                                                                          | 3,000     |
|                                                                             | ACDA/WEC-18, supplement No. 1.                  | Apr. 23, 1964  | Field test of production of strategic delivery vehicles.                                                                                                                          | 151,800   |
|                                                                             | ACDA/WEC-18, supplement No. 1, amendment No. 1. | Oct. 16, 1964  | do.                                                                                                                                                                               | 209,900   |
| Harold Joseph Berman, 64 Homer St., Newton Center, Mass.                    | ACDA/GC-40                                      | June 23, 1964  | Preliminary survey of the legal aspects of verifying arms control and disarmament agreements in the Soviet Union.                                                                 | 1,000     |
|                                                                             | ACDA/WEC-35                                     | Dec. 27, 1963  | Application of quantitative analytical models in evaluating arms control and disarmament concepts on military capability.                                                         | 91,300    |
| Booz-Allen Applied Research, Inc., 4815 Rugby Ave., Bethesda, Md.           | ACDA/WEC-35, amendment No. 1.                   | Dec. 23, 1964  | 3-month program to apply and improve quantitative analytical models for use in evaluating the effect of arms control and disarmament concepts on strategic military capabilities. | 43,324    |
| The Brookings Institution, 1775 Massachusetts Ave., Washington, D.C.        | ACDA/RS-63                                      | Sept. 25, 1964 | United Nations peacekeeping operation in the Congo (ONUC), 1960-64.                                                                                                               | 100,404   |

## Contracts and grants, fiscal years 1962 through Dec. 31, 1964—Continued

| Contractor                                                                                                                     | Number                       | Date           | Title of study                                                                                              | Amount    |
|--------------------------------------------------------------------------------------------------------------------------------|------------------------------|----------------|-------------------------------------------------------------------------------------------------------------|-----------|
| Burroughs Corp., Box 782, Paoli, Pa.                                                                                           | ACDA/WEC-29                  | June 15, 1963  | Analysis of requirements for automation of data processing for inspection field tests                       | \$203,999 |
|                                                                                                                                | ACDA/WEC-29, amendment No. 2 | Mar. 10, 1964  | Price adjustment—Travel costs                                                                               | 3,426     |
| Columbia University, 20 Low Memorial Library, New York 27, N.Y.                                                                | ACDA/DAS-25                  | June 19, 1963  | Factors affecting Soviet attitudes on disarmament                                                           | 91,000    |
|                                                                                                                                | ACDA/GC-44                   | Mar. 9, 1964   | Legal aspects of verification in the United States                                                          | 55,850    |
|                                                                                                                                | ACDA/E-45                    | do             | Financial and fiscal systems of specified East European countries                                           | 49,000    |
| Control Data Corp., 11423 Rockville Pike, Rockville, Md.                                                                       | ACDA/E-45, amendment No. 1   | Dec. 15, 1964  | Expansion of initial study                                                                                  | 90,000    |
|                                                                                                                                | ACDA/WEC-47                  | Apr. 3, 1964   | Computer services for U.S. Arms Control and Disarmament Agency                                              | 12,000    |
|                                                                                                                                | ACDA/WEC-62                  | July 1, 1964   | do                                                                                                          | 75,000    |
|                                                                                                                                | ACDA/WEC-62, amendment No. 1 | Sept. 23, 1964 | do                                                                                                          | 15,000    |
|                                                                                                                                | ACDA/E-68                    | Dec. 4, 1964   | Industrial conversion case studies                                                                          | 53,739    |
| Denver Research Institute, Colorado Seminary, (University of Denver) University Park, Denver, Colo.                            | ACDA/GC-11                   | June 26, 1962  | Problems of subversion and peaceful change                                                                  | 3,500     |
| Richard A. Falk, Center of International Studies, Princeton University, Princeton, N.J.                                        | ACDA/GC-11, amendment No. 1  | Feb. 8, 1963   | Introductory section to provide background knowledge and definitions                                        | 1,000     |
|                                                                                                                                | ACDA/GC-4                    | Apr. 11, 1962  | Peaceful settlement of international disputes between bloc nations                                          | 3,000     |
| Dr. Kazimierz Grzybowski, Yale University Law School, New Haven, Conn.                                                         | ACDA/GC-33                   | June 28, 1963  | Enforcement of arms control and disarmament measures by the imposition of sanctions on individual officials | 6,000     |
| President and Fellows of Harvard College, Harvard University, Office of Research Contracts, 10 Divinity Ave., Cambridge, Mass. | ACDA/DAS-46                  | Mar. 31, 1964  | Motivations and implications of Chicom policies in respect to arms control and disarmament                  | 81,665    |
|                                                                                                                                | ACDA/DAS-46, amendment No. 1 | Oct. 15, 1964  | Price adjustment—Increase in overhead rate                                                                  | 648       |
| Historical Evaluation & Research Organization, 1075 Wisconsin Ave., Washington 7, D.C.                                         | ACDA/GC-17                   | Mar. 29, 1963  | Responses to violations of arms control and disarmament agreements                                          | 162,000   |
|                                                                                                                                | ACDA/GC-17, amendment No. 2  | Aug. 19, 1963  | Price adjustment—Security installations                                                                     | 516       |
|                                                                                                                                | ACDA/GC-17, amendment No. 3  | Apr. 16, 1964  | Price adjustment for District of Columbia unemployment tax and additions to general scope of contract       | 9,806     |
|                                                                                                                                | ACDA/GC-17, amendment No. 4  | June 30, 1964  | Price adjustment—Additional copies of the final report                                                      | 3,570     |
|                                                                                                                                | ACDA/GC-17, amendment No. 5  | Nov. 12, 1964  | Response to violations of arms control and disarmament agreements                                           | 637       |
|                                                                                                                                | ACDA/E-39, grant             | Feb. 19, 1964  | Evaluation of means of verifying military expenditures                                                      | 12,600    |
| Franklyn D. Holzman, Department of Economics, Tufts University, Medford Mass.                                                  | ACDA/IR-10                   | June 29, 1962  | Political and strategic implications for arms control and disarmament of civil defense programs             | 147,000   |
| Hudson Institute, Quaker Ridge Road, Harmon-on-Hudson, N.Y.                                                                    | ACDA/IR-10, amendment No. 1  | Sept. 17, 1962 | Price adjustment—Performance bond (reduction)                                                               | -735      |
|                                                                                                                                | ACDA/IR-10, amendment No. 2  | Aug. 5, 1963   | Price adjustment—Additional copies of final report                                                          | 823       |
|                                                                                                                                | ACDA/ST-51                   | May 26, 1964   | Implications of future weapon technology on arms control and disarmament                                    | 204,139   |
|                                                                                                                                | ACDA/ST-51, amendment No. 1  | Oct. 26, 1964  | Price adjustment—Security installation                                                                      | 1,160     |

|                                                                                                                                       |                                  |               |                                                                                                                                      |         |
|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------|---------|
| Hughes Aircraft Co., Ground Systems Group, 1001 West<br>Malvern Ave., Fullerton, Calif.                                               | ACDA/ST-40.....                  | Feb. 18, 1964 | Validation of records of production.....                                                                                             | 136,275 |
| Institute for Defense Analyses, 1666 Connecticut Ave.<br>N.W., Washington, D.C.                                                       | ACDA/ST-5.....                   | June 20, 1962 | Inspection and control in disarmament agreements.....                                                                                | 120,000 |
| Institute for Strategic Studies, 18 Adam St., London,<br>W.C.2, England                                                               | ACDA/WEC-9 grant.....            | June 27, 1962 | Focus on arms information and reassurance.....                                                                                       | 10,000  |
| Institute for the Study of National Behavior, Inc., 240<br>Nassau St., Princeton, N.J.                                                | ACDA/WEC-14 grant.....           | Feb. 20, 1963 | The effect of disarmament on European security.....                                                                                  | 21,064  |
| The Johns Hopkins University, Baltimore, Md.                                                                                          | ACDA/E-28, grant.....            | May 31, 1963  | Psychological factors in Soviet disarmament positions.....                                                                           | 10,704  |
|                                                                                                                                       | ACDA/E-28, amendment No. 1.....  | June 1, 1964  | Price adjustment—Settlement cost.....                                                                                                | 389     |
|                                                                                                                                       | ACDA/GC-19.....                  | Apr. 5, 1963  | Peacekeeping panel.....                                                                                                              | 87,308  |
|                                                                                                                                       | ACDA/IR-34.....                  | June 28, 1963 | Future character and role of peace observation arrange-<br>ments under the United Nations.....                                       | 139,000 |
|                                                                                                                                       | ACDA/IR-34, amendment No. 1..... | June 25, 1964 | To provide for additional technical/professional effort.....                                                                         | 8,556   |
|                                                                                                                                       | ACDA/IR-34, amendment No. 2..... | Nov. 16, 1964 | Price adjustment—Additional copies of final report.....                                                                              | 6,500   |
|                                                                                                                                       | ACDA/IR-34, amendment No. 3..... | Dec. 31, 1964 | To provide for additional technical/professional effort.....                                                                         | 16,085  |
|                                                                                                                                       | ACDA/IR-50.....                  | Apr. 29, 1964 | The role of alliances and other interstate alignments in a<br>disarming and disarmed world.....                                      | 116,505 |
|                                                                                                                                       | ACDA/GC-70.....                  | Dec. 31, 1964 | International organizational arrangements to verify com-<br>pliance with arms control and disarmament agreements.....                | 195,746 |
| Kirschner Associates, 530 Jefferson St. NE., Albuquer-<br>que, N. Mex.                                                                | ACDA/E-58.....                   | June 5, 1964  | Regional economic adjustments.....                                                                                                   | 31,824  |
| Arthur D. Little, Inc., 30 Memorial Dr., Cambridge,<br>Mass.                                                                          | ACDA/ST-31.....                  | June 20, 1963 | Ground-inspectable features of Soviet armaments produc-<br>tion technology.....                                                      | 159,000 |
| Los Angeles State College Foundation, Center for Study<br>of Armament and Disarmament, 5151 State College<br>Dr., Los Angeles, Calif. | ACDA/ST-31, amendment No. 2..... | Sept. 4, 1964 | do.....                                                                                                                              | 20,004  |
| Martin-Marett Corp., Denver Division, Denver, Colo.                                                                                   | ACDA/ST-31, amendment No. 3..... | Dec. 15, 1964 | Historical analysis of arms control and disarmament agree-<br>ments, 1919-30.....                                                    | 79,960  |
| Massachusetts Institute of Technology, Center for Inter-<br>national Studies, 50 Memorial Dr., Cambridge, Mass.                       | ACDA/RS-55.....                  | June 11, 1964 | do.....                                                                                                                              | 48,955  |
|                                                                                                                                       | ACDA/E-67.....                   | Dec. 4, 1964  | Study of the mobility of the Martin Denver terminated<br>labor force.....                                                            | 12,587  |
|                                                                                                                                       | ACDA/IR-15.....                  | May 1, 1963   | Studies on arms control and international communism.....                                                                             | 65,000  |
|                                                                                                                                       | ACDA/IR-24.....                  | do.....       | Regional arms control arrangements for developing areas.....                                                                         | 145,000 |
|                                                                                                                                       | ACDA/ST-3.....                   | June 13, 1962 | Statistical methodology in the analysis of inspection and<br>control procedures for arms control and disarmament.....                | 47,461  |
|                                                                                                                                       | ACDA/ST-37.....                  | Dec. 27, 1963 | Application of statistical methodology to arms control and<br>disarmament.....                                                       | 48,058  |
| McGraw-Hill Book Co., 330 West 42d St., New York,<br>N.Y.                                                                             | ACDA/RS-36.....                  |               | Not external research project.....                                                                                                   |         |
| Reports of the University of Michigan, Office of Research<br>Administration, Research Administration Bldg., Ann<br>Arbor, Mich.       | ACDA/ST-49.....                  | May 18, 1964  | Decision theoretic principles of the design of verification<br>systems.....                                                          | 30,409  |
|                                                                                                                                       | ACDA/E-59.....                   | June 26, 1964 | Survey of national and regional econometric models and<br>their place in measuring the impact of changes in defense<br>spending..... | 4,065   |
| Midwest Research Institute, 425 Volker Blvd., Kansas<br>City, Mo.                                                                     | ACDA/ST-56.....                  | May 30, 1964  | Inspection for production, transportation and storage of<br>chemical and biological weapons.....                                     | 139,000 |
|                                                                                                                                       | ACDA/ST-56, amendment No. 1..... | Aug. 31, 1964 | Price adjustment—Security installation.....                                                                                          | 909     |
|                                                                                                                                       | ACDA/E-66.....                   | Dec. 21, 1964 | Industrial conversion potential in the shipbuilding in-<br>dustry.....                                                               | 84,314  |

## Contracts and grants, fiscal years 1962 through Dec. 31, 1964—Continued

| Contractor                                                                                                                      | Number                        | Date           | Title of study                                                                                                            | Amount    |
|---------------------------------------------------------------------------------------------------------------------------------|-------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------|-----------|
| National Planning Association, 1606 New Hampshire Ave. NW, Washington, D.C.                                                     | ACDA/E-57                     | May 29, 1964   | Regional economic adjustments.                                                                                            | \$125,705 |
| New York Department of Labor, Division of Employment, State Office Bldg., Albany 1, N.Y.                                        | ACDA/E-57, amendment No. 1    | Sept. 28, 1964 | do.                                                                                                                       | 7,500     |
| North American Aviation Inc., Space and Information Systems Division, 1224 Lakewood Blvd., Downey, Calif.                       | ACDA/E-60                     | Dec. 30, 1964  | The impact on Long Island labor force of defense contract phaseouts.                                                      | 80,000    |
|                                                                                                                                 | ACDA/WEC-30                   | June 13, 1963  | Survey of sensors and techniques applicable to arms control inspection and verification.                                  | 136,600   |
|                                                                                                                                 | ACDA/WEC-65                   | Sept. 30, 1964 | Operational guidelines and advanced technology in the use of sensors and multisensor systems for arms control inspection. | 249,400   |
| William L. Ostrowski, Box 187, Route No. 1, Bryan Point Road, Accokeek, Md.                                                     | ACDA/ST-38, grant             | Jan. 2, 1964   | The limitations of BW/CW weapons.                                                                                         | 15,000    |
| Peace Research Institute (now operating under the name of Institute for Policy Studies), 1900 Florida Ave. NW, Washington, D.C. | ACDA/IR-8, grant              | June 19, 1962  | Factors pertinent to the political control of an international police force.                                              | 20,000    |
| Trustees of the University of Pennsylvania, Office of Project Research and Grants, 3400 Walnut St., Philadelphia, Pa.           | ACDA/ST-64                    | Sept. 25, 1964 | Model study of escalation.                                                                                                | 73,899    |
| Dr. Richard H. Pfaff, Department of Political Science, University of Denver, Denver, Colo.                                      | ACDA/IR-26, grant             | June 4, 1963   | The nonmilitary aspects of CENTO.                                                                                         | 1,500     |
| Rand Corp., 1700 Main St., Santa Monica, Calif.                                                                                 | ACDA/WEC-27                   | Mar. 26, 1962  | Contract negotiations terminated.                                                                                         | 121,211   |
| Raytheon Co., Missile & Space Division, Bedford Development Laboratory, Bedford, Mass.                                          | ACDA/WEC-2, amendment No. 1   | Feb. 20, 1963  | Progressive zonal disarmament.                                                                                            | 78,120    |
|                                                                                                                                 | ACDA/WEC-21                   | May 6, 1963    | Develop planning principles for field tests of inspection techniques.                                                     | 177,300   |
| Research Analysis Corp., McLean, Va.                                                                                            | ACDA/WEC-21, supplement No. 1 | Apr. 30, 1964  | Interaction of arms control and disarmament measures with capabilities of ground forces.                                  | 150,000   |
| Rutgers University, Eagleton Institute, New Brunswick, N.J.                                                                     | ACDA/IR-20, grant             | May 3, 1963    | Arms and democracy: The reciprocal influence of weapons and political systems.                                            | 40,000    |
| Southern Methodist University, Hillcrest Ave., Dallas, Tex.                                                                     | ACDA/GC-41                    | Feb. 25, 1964  | International law of indirect aggression and subversion.                                                                  | 109,200   |
| Space Technology Laboratory, Thompson Ramo Wooldrige Inc., 1 Space Park, Redondo Beach, Calif.                                  | ACDA/ST-61                    | Oct. 13, 1964  | Reduction of ICBM leadtimes.                                                                                              | 125,628   |
| Stanford Research Institute, Menlo Park, Calif.                                                                                 | ACDA/WEC-23                   | Apr. 29, 1963  | Arms control and disarmament concepts and the military environment in the European area.                                  | 267,688   |
|                                                                                                                                 | ACDA/WEC-23, supplement No. 1 | Apr. 24, 1964  | do.                                                                                                                       | 226,700   |
|                                                                                                                                 | ACDA/IR-63                    | May 30, 1964   | Regional arms control arrangements for the Far East.                                                                      | 164,186   |
| Board of Trustees of the Leland Stanford, Jr., University, Stanford, Calif.                                                     | ACDA/IR-63, amendment No. 1   | Dec. 31, 1964  | Expansion to include research and evaluation coverage of Communist China.                                                 | 182,314   |

|                                                                                                                           |                               |               |                                                                                                                                              |         |
|---------------------------------------------------------------------------------------------------------------------------|-------------------------------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------|---------|
| Sylvania Electric Products, Inc., Sylvania Electronic Systems, Western Operations, 500 Evelyn Ave., Mountain View, Calif. | ACDA/ST-12.....               | Nov. 2, 1962  | Design and evaluation of inspection systems for a ban on weapons of mass destruction in space, and for restrictions of missile flight tests. | 354,000 |
|                                                                                                                           | ACDA/ST-12, amendment No. 1.  | Feb. 13, 1963 | Special report on techniques of verification for a Latin American nuclear-free zone.                                                         | 5,725   |
|                                                                                                                           | ACDA/ST-12, amendment No. 2.  | Apr. 18, 1963 | Special report on arms reduction and the use of Potsdam-type military liaison missions.                                                      | 2,632   |
|                                                                                                                           | ACDA/WEC-22.....              | Apr. 29, 1963 | Verification for retained levels of ground forces, armaments, and tactical nuclear delivery vehicles.                                        | 202,000 |
|                                                                                                                           | ACDA/ST-42.....               | Mar. 4, 1964  | Inspection systems study for disarmament in space.                                                                                           | 215,000 |
|                                                                                                                           | ACDA/WEC-54.....              | May 30, 1964  | Inspection and verification of retained levels of tactical ground and air forces, armaments, and tactical nuclear delivery vehicles.         | 235,000 |
| Yale University, 451 College St., New Haven, Conn.                                                                        | ACDA/IR-32.....               | June 29, 1963 | Arms control and disarmament concepts and the European political environment.                                                                | 90,000  |
|                                                                                                                           | ACDA/IR-32, amendment No. 1.. | Apr. 23, 1964 | To provide for an expansion of the survey of selected elite opinion leaders in France and Germany.                                           | 5,000   |

Mr. ADAIR. My concern is, Are contracts of this type increasing each year, in number and in cost? You have asked for a little more money, of course, for this type of activity.

Mr. FOSTER. I would assume that the numbers would increase slightly. We are also hopeful that the dollar amounts on certain of these could increase in view of the greater knowledge that many of these contractors have obtained. These are not large numbers of contracts. The average size of contract is perhaps \$250,000 to \$300,000.

Outstanding at the moment we might have 12 or 15 contractors. Certainly these contracts last for more than 1 year.

Mr. ADAIR. Is that fairly typical, would you say, 12 or 15 contracts outstanding at any one time?

Mr. FOSTER. Roughly. I can check that.

Mr. ADAIR. I am not asking for specifics.

Mr. FOSTER. That is roughly the order of magnitude.

(The following information has been supplied for the record:)

At the present time, there are 38 contracts on which work is not yet completed.

Mr. ADAIR. You said something that would lead us to believe that you expect to do more of, I think you said in-house research in your own establishment. Will that then decrease the number of such contracts? Or is there to be an increase in the overall amount of research?

Mr. FOSTER. There would be some increase in the overall amount of research. Ordinarily the increase in personnel is the management of the field tests which previously have been under the supervision of an outside contractor. We now find that we know a good deal more really about this part of the business than any outside contractor and, therefore, instead of placing very substantial contracts in that one particular field, we plan to do more than the management activity within our own personnel.

Mr. ADAIR. How closely do you personally, or someone very high in your organization review the costs of these contracts? Are they let on a competitive basis, or on a selective basis?

Mr. FOSTER. About 60 percent of our contract funds are let on a competitive basis in that we send out a request for a proposal to a selected group of contractors, it is published of course in the Commerce bulletin, so that I think 43 percent have been on that kind of a competitive activity, while 17 percent were follow-ons to competitive contracts and, therefore, that makes up the 60 percent.

We will send out perhaps 15 requests for proposals. We sometimes get as many as 85 calls to give the opportunity to other concerns to bid on this.

Mr. ADAIR. Do you find that your contracts are let and relet to a certain rather small group of companies or institutions?

Mr. FOSTER. We have a very broad list of people who both bid on and obtain contracts. The noncompetitive proposals, let me take 6 months, January 1, 1962—no, 2 years, pardon me—January 1, 1962 through December 31, 1964, we have let under the form of competitive proposals \$4,600,000 of contracts. We have had follow-ons to those competitive awards, 17 percent, \$1,900,000. There have been follow-on proposals which went to the original contractor without competition because of the fact that the personnel had been cleared or the sensitive information was such that the need to go out to get a new—

the troubles of going out to get a new contractor would both delay and might broaden the security information available in a way that it was felt to be adverse to the national interest, or for some other reason, \$600,000 of those. A sole source initial award, because of particular skills or experience, \$600,000.

Unsolicited proposals which came in and a suggestion which was made by some company or some institution in a way that we had not conceived of but which was responsive to our responsibility, a little under \$500,000.

We have had grant agreements to university professors or experts in particular fields, \$150,000. And we have reimbursable agreements of \$2,400,000. That means for instance we have had the Census Bureau do some things in which they have particular skills or the Office of Naval Research, which has particular expertise, the Department of Commerce, the Department of State.

(The following information has been supplied for the record:)

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

*Summary showing contract amounts by methods of selection for period  
Jan. 1, 1962, through Dec. 31, 1964*

| Method of contractor selection                       | Dollar amount | Percent |
|------------------------------------------------------|---------------|---------|
| Proposals awarded after competition.....             | 4,589,152     | 42.8    |
| Follow-on proposals to competitive awards.....       | 1,868,194     | 17.4    |
| Follow-on proposals to noncompetitive awards.....    | 609,378       | 5.7     |
| Sole source, initial award.....                      | 624,604       | 5.8     |
| Unsolicited proposals.....                           | 487,927       | 4.6     |
| Grant agreements.....                                | 152,257       | 1.4     |
| Reimbursable agreements, other Federal agencies..... | 2,388,175     | 22.3    |

Mr. ADAIR. Mr. Foster—

Mr. ZABLOCKI (presiding). The gentleman's time has expired.

Mr. ADAIR. May I finish this question?

Mr. ZABLOCKI. Go ahead.

Mr. ADAIR. With how many educational institutions do you have contracts?

Mr. FOSTER. I would say we have done it with 10 or 12.

Mr. ADAIR. Thank you.

Mr. ZABLOCKI. Mr. Selden.

Mr. SELDEN. Thank you, Mr. Chairman.

Mr. FOSTER, are you aware that the name "Disarmament Agency" may have given to some people a false impression as to this Agency's function?

Mr. FOSTER. I am aware of the discussion concerning it, Mr. Selden, but of course the objectives to which we are devoted under the law include the movement toward general and complete disarmament as an ultimate objective of the United States.

Mr. SELDEN. However, am I correct in stating that this Agency does not under the law have the authority to unilaterally disarm the United States?

Mr. FOSTER. You are quite correct, sir.

Mr. SELDEN. I found in the last campaign that misinformation of that nature was spread around very generally and that many people did have an incorrect impression of the Agency's functions. Have

you given any thought as to the possibility of perhaps renaming this Agency so that such general misinformation might be eliminated?

Mr. FOSTER. We certainly defer to the wisdom of the Congress on that. You will recall there was a very extensive debate on that subject when the Agency was set up. We abided by your decision at that time. We are very happy to discuss that possibility with you, but it took a long time to arrive at this name as between I think the two branches of the Congress.

Mr. SELDEN. Actually this Agency, under the law, has no authority to disarm the United States in any way without the consent of the Congress—is that a correct statement?

Mr. FOSTER. Quite correct, sir. Disarmament or shift in the levels of the forces by international agreement cannot be made without the approval of the Congress of the United States.

Mr. SELDEN. That is all, Mr. Chairman.

Mr. ZABLOCKI. Mr. Mailliard.

Mr. MAILLIARD. Thank you, Mr. Chairman.

Mr. FOSTER, what is the status of the negotiations in this field as of the present moment? I lose track of what is going on over there in Geneva.

Mr. FOSTER. I can't blame you, sir. I somewhat lose track myself. I have had the honor of serving as you did last year as a member of the U.N. delegation in New York as Director of the Agency, and also a negotiator at Geneva. Geneva is in recess. It was recessed on September 17 subject to the completion of the disarmament negotiations at the United Nations Assembly, and then the two cochairmen of the Geneva Conference were to consult as to an appropriate date for reconvening. That had been assumed to occur sometime around the middle of March.

That was on the assumption that the General Assembly would commence meeting early in December, Committee One would meet on January 1, and that the deliberations in Committee One would take perhaps 4 to 6 weeks on arms control and disarmament, and with a 2-week gap we would go back to Geneva. Geneva is now in recess.

Many of the delegates at Geneva are delegates to the General Assembly. I have had many discussions with them and a number with Mr. Tsarapkin who is with me a cochairman of the Conference, and who is also the Soviet representative.

Mr. MAILLIARD. You would assume it won't be reconvened until next fall?

Mr. FOSTER. I think our thought would be that if the General Assembly is postponed, as you perhaps have better information than I do as of this morning, if it were to be postponed until late spring, early summer, or early fall, we have had enough discussions in New York to indicate the possibility of an early reconvening of the Geneva talks.

Mr. MAILLIARD. Is there any prospect of accomplishing anything?

Mr. FOSTER. I see no reason why we shouldn't accomplish something. We have as the most pressing problem how we might move ahead in limiting proliferation of nuclear weapons to those nations not having them. On this there is a common interest which has been expressed by all the members of the Disarmament Conference. As you know the alleged objections of the Soviet Union to the early achievement of such an agreement is their attack on the multilateral force or the allied

nuclear force which we do not consider to be proliferation, but which they charge with being such.

There is this common interest. Time is moving along and the proliferation is, therefore, perhaps proceeding. I have talked to my Soviet colleagues along the line of, let us not debate whether this allied nuclear force is not what they say it is or what we say it is, let's get an agreement worldwide on nonproliferation, and if an agreement comes into being on nuclear force and if then it seems at the time proliferation, then they would have the kind of right under the treaty to abrogate if they felt it was inimical to their national security. If we wait until all these things are answered, we meanwhile may have lost the opportunity of controlling this spread, and this I think is the greatest danger that we face at the present time.

There is this chance. We believe that the other items of Mr. Johnson's program submitted last year, with modifications, as we have studied it more fully, is susceptible of progress. And I think that the risk of war situation, observation positions, this sort of thing in which the Soviets have shown an interest in the past and in which I think we again have a common interest, these are indeed possible.

MR. MAILLIARD. Thank you, Mr. Chairman. I would like to pursue this perhaps in executive session.

MR. ZABLOCKI. Mr. O'Hara.

MR. O'HARA. Thank you, Mr. Chairman.

MR. DIRECTOR. Your statement I thought was a pattern of restraint and modesty. You know my high regard for you and the Agency. In Illinois we think of you as one of the great men of the times and an engineer of peace. But Mr. Director, I am concerned about the growth of these contract research agencies. How many have we? Thousands?

MR. FOSTER. At least dozens perhaps, but not thousands, I think. You mean in Government, or all through the country?

MR. O'HARA. All through the country.

MR. FOSTER. If you count the number of university research and other institutions, there may be a thousand.

MR. O'HARA. Some of them are good, unquestionably, and some of them I presume are not so good. Has anybody resigned from your Agency to found a research agency?

MR. FOSTER. Yes; I think there is at least one that I am familiar with.

MR. O'HARA. That is, he found that the Government is doing so much in contracting with these researchers that it is more profitable to get in and found a research agency than work for the Government? That isn't good, is it?

MR. FOSTER. I am not sure that all of them do find it that profitable, Mr. O'Hara.

MR. O'HARA. I was heartened when I heard you say that you wanted more personnel in order that you could do more of the necessary research by direct agency operation. I appreciate there is a place for the contract research agency, especially one functioning in connection with a college or university, but I think there is a real danger of overdoing it.

Thank you, Mr. Director. It has been a joy talking to you.

MR. FOSTER. Thank you for your kind words, Mr. O'Hara.

Mr. ZABLOCKI. Mr. Frelinghuysen.

Mr. FRELINGHUYSEN. Thank you, Mr. Chairman.

Mr. Foster, I hope my questions won't seem unkind. I assure you they are not meant in that way.

Could we get an indication of how big your Agency is today and how much further you plan to expand it? You referred to increasing in-house research personnel. How many people do you have today?

Mr. FOSTER. We have a limit of 234. We have on board 192. We have 12 who are in process. That would make 204 which will be on board within the next—214 is our positions authorized. I am sorry. We have 192 on board. We have 12 in process.

Mr. MONAGAN. Mr. Chairman, could we have those again, please?

Mr. FOSTER. Yes; positions authorized, 214, of which 164 are permanent and 50 are reimbursable. We have on board 192; 154 permanent; 38 reimbursable.

Mr. FRELINGHUYSEN. What are your plans to increase?

Mr. FOSTER. Twenty-four added to the 214.

Mr. FRELINGHUYSEN. What disturbs me is where the \$500,000 additional referred to in your summary program, is going to be needed. Is that to supply these additional 24 individuals with salaries?

Mr. FOSTER. Plus some other—

Mr. DONELAN. There are travel costs, administrative costs.

Mr. FRELINGHUYSEN. Twenty-five people are going to cost us \$500,000?

Mr. FOSTER. Pretty close to it.

Mr. FRELINGHUYSEN. It sounds like an expensive operation.

Mr. FOSTER. Many of these are highly skilled. The other items are of course travel, which is an overall increase of travel. This is in I think the submission book.

Mr. FRELINGHUYSEN. Mr. Chairman, if it is in the book, eventually we will have time to read about it. It does disturb me somewhat—

Mr. FOSTER. We will supply it.

Mr. FRELINGHUYSEN. We are apparently justifying a relatively large increase by a need for a small number of individuals. If only 24 individuals need \$500,000, it must be—

Mr. FOSTER. We will supply it for the record. It includes other administrative expenses.

(The information follows:)

*Increase in program operation costs—Resulting from proposed increase in number of personnel; other normal personnel cost increases, and expenses related to research contract administration*

|                                           |            |
|-------------------------------------------|------------|
| Personnel compensation and benefits.....  | \$317, 000 |
| Travel and transportation of persons..... | 30, 000    |
| Transportation of things.....             | 2, 000     |
| Printing and reproduction.....            | 6, 000     |
| Services by other agencies.....           | 117, 000   |
| Total.....                                | 472, 000   |

Mr. FRELINGHUYSEN. If, as you say, a great range of knowledge is required in order to make realistic proposals and participate realistically in this arms control business, might you not develop a body of knowledge over a period of years which would allow you to reduce your research in future years rather than to require an increase in such activities?

The same problem that troubled Mr. Zablocki, troubles me. Why should we authorize a program for 4 years ahead on the basis of such an assumption? It might well be that we will thoroughly explore the various possibilities and could reduce the planned doubling of research programing in 1968 and 1969. And if you do need more at that time, then would be the time to justify it. Why do we project needs on an assumption that the more knowledge you get the more ignorant you are going to be and the less realistic, which seems to be what you are arguing?

You argue you must spend more money in order to know that you were right in the conclusions that you reached originally. I wonder if that is a proper assumption.

Mr. FOSTER. I don't think so, sir. I call your attention to the fact that as long as 2 years ago we were planning and hoping to get, in order to examine the whole field, a research budget of \$11 million. That was cut back so that we got \$4.1 million 2 years ago. Last year we again asked for this \$11 million to carry out a number of additional studies which we could not, which would add to our amount of knowledge, and I can assure you in this field the knowledge that one acquires is extensive. I would call your attention to the fact we are presumed to have knowledge concerning political, economic, scientific, psychological, legal, and sociological matters bearing on this field.

We have a very small group to do that.

Mr. FRELINGHUYSEN. Five minutes doesn't afford enough time for this kind of discussion, unfortunately, Mr. Foster. If the most urgent mission for the Agency today is the nonproliferation of nuclear weapons, I don't see how research will secure much of a solution in that area. The proposals you make seem to be primarily agreements you hope to reach with the Soviet Union. This would not seem to touch on the basic problem of how do you get these other nations which have potential power, maybe not immediate potential power, which could be utilized in the wrong way. How would an agreement with a major power which already has such weapons not to transfer these to others prevent those so-called underdeveloped or more backward nations from developing this know-how on their own?

Mr. FOSTER. What we hope to find is an appropriate way to safeguard against the diversion of materials produced in peaceful reactors to weapons use.

Mr. FRELINGHUYSEN. As I understand it, the problem is not to prevent the diversion of nuclear weapons from the powers which presently have this material to other nations. Other nations, such as Red China specifically, already have the know-how. China could be a threat even without receiving any material from some other nation, because of her instability and aggressiveness.

Chairman MORGAN. The gentleman's time has expired.

Mr. Farbstein.

Mr. FARBSTEIN. Thank you, Mr. Chairman.

Mr. Foster, your Agency is supposed to have some political knowledge; do I understand from your statement that is correct?

Mr. FOSTER. Yes, sir.

Mr. FARBSTEIN. Do you advise with the President? Do you advise the President? Are you part of policymaking decisions?

Mr. FOSTER. In this field; yes, sir.

Mr. FARBSTEIN. Do you think that you could at this time in view of the type of hearing it is, give me your opinion in connection with the multilateral force? I didn't get the colloquy before. I don't know if you made any statement with reference to it, and what your advice was in connection with the multilateral force. Is this something that you would care to speak to at this hearing or do you think that you prefer to speak to that in a private hearing?

Mr. FOSTER. I can state, sir, that in this field my advice has been that one should keep in mind the relationship of such a force to the ultimate objectives of the United States in arms control and disarmament. I think it is perfectly clear that we have an obligation to bring our allies strongly into the Atlantic Community and alliance, and that we have a right and justification to feel concerned about the several hundred nuclear and intermediate missiles aimed at them and the nuclear force is designed to reassure them on this point.

I think that the basic objectives are certainly things which we can support, and in our discussions with the President, which of course are privileged advice, we have maintained the objectives in which we know he believes, and we have had very many discussions on this general subject with him and with the Committee of Principals who are also concerned with this problem.

Mr. FARBSTEIN. I take it then from your answer that you favor our joining the multilateral force and this organization be instituted and be permitted to function; is that correct?

Mr. FOSTER. Under the appropriate conditions; yes, sir.

Mr. FARBSTEIN. I don't know what you mean by "appropriate conditions." Would you be a bit more —

Mr. FOSTER. It must be consistent with our overall objectives in this field of arms control and disarmament.

Mr. FARBSTEIN. Of course you anticipate the functioning of this agency will of necessity bring on a counterforce? You understand what I have reference to, don't you?

Mr. FOSTER. You mean in the Warsaw countries?

Mr. FARBSTEIN. Yes.

Mr. FOSTER. That has been suggested. I am not sure that will necessarily come into being.

Mr. FARBSTEIN. Has it been your advice or your opinion to the President or to the organization that you described before, of which you are a member, has it been your advice that—or at least your opinion—that this counterforce will not come into being even though we proceed with the multilateral force?

Mr. FOSTER. I think there are some things which would influence the Soviets in not going this way. I think that there is a real question as to whether they would necessarily develop such a counterforce.

Mr. FARBSTEIN. Would you care to say what you base that statement on?

Mr. FOSTER. I would doubt that they have the same confidence in their allies that we have in ours.

Mr. FARBSTEIN. That is the basis of your determination; is that it?

Mr. FOSTER. It isn't a determination, sir. This is my opinion.

Mr. FARBSTEIN. And that is the advice you gave to the President?

Mr. FOSTER. I am not going to state what advice I have given to the President, and how.

Mr. FARBSTEIN. That is all.

Chairman MORGAN. Mr. Whalley.

Mr. WHALLEY. Thank you, Mr. Chairman.

Mr. Foster, inspection seems to be one of the most important items in your program. You say that modes of inspection have been studied. Are there any type on-site inspections in effect today?

Mr. FOSTER. We have made an on-site inspection in the Antarctic. That is the only one which is an on-site inspection.

Mr. WHALLEY. As far as the Soviet Union?

Mr. FOSTER. Yes.

Mr. WHALLEY. Is there anything planned for broader on-site inspections?

Mr. FOSTER. We have suggested a number of methods to accompany some of these proposals we have made. We have not negotiated any such requirements as yet.

Mr. WHALLEY. Do you think you might have a discussion with Russia on these?

Mr. FOSTER. I certainly am hopeful we will because many of the things that we are proposing could not be accepted unless we did have on-site inspection.

Mr. WHALLEY. Thank you, Mr. Chairman.

Chairman MORGAN. Mr. McDowell.

Mr. McDOWELL. Thank you, Mr. Chairman.

Mr. Foster, on page 5 you make the statement that, among other objectives, "to curb nuclear spread we will seek agreement among nations." Recently I read an article, and I am not saying it was authentic, that suggested that there were many small countries that are on the verge of developing a nuclear capacity, such as Sweden, Switzerland, Pakistan, Italy, and several others.

Other than the overall attempt at agreements at Geneva of the major powers, nuclear powers, have there been any attempts to reach an agreement with such other nations to control the development and sale of such potential weapons? As we know, these countries have engaged rather considerably in the past in the sale of military weapons. The article indicated that if they develop such weapons, they would be under no restrictions not to sell them to other countries.

Mr. FOSTER. Yes, there have been a number of things done. Two of those countries are members of the 18-member Disarmament Conference—Italy and Sweden. Both countries have stated it is their hope and intent to move toward a nonproliferation agreement.

We have been hopeful at the United Nations, following on the statements made by the nonaligned nations which met in Cairo, some 45 of them, the OAU group, both of which asked the United Nations to develop an agreement in this field; we have been informally at the United Nations attempting to pursue that objective.

We believe that the reason these nations to which you refer are thinking of moving toward this kind of a development is because they have not yet seen the hope of such an agreement. They have indicated their willingness, however, under such an agreement, to accept the self-denying nature of a general universal nonproliferation agreement. This is why we hope we can achieve such.

Mr. McDOWELL. Do you find the policies of your Agency at any time in conflict with the atoms-for-peace program where we have made it possible for atomic reactors to be placed in many countries?

Mr. FOSTER. No, sir; we don't, because in the help that we give to nations in that regard, we do insist on safeguards to make sure that the products will not be diverted to other than peaceful use. We believe that the atoms for peace is a very fine program and can be a very beneficial one for the world in terms of new and much greater energy availabilities. But we believe that it does require those kinds of safeguards and we are hopeful those safeguards will be accepted by all recipients not only from us but from other nations who advocate the plan of giving peaceful reactors to countries that might divert that material.

Mr. McDOWELL. Are you satisfied those safeguards have been adopted and written into such agreements?

Mr. FOSTER. Not all of them, sir; and we are negotiating at all times to attempt to have those apply. We are also attempting to strengthen the IAEA, which contains now 80 nations——

Mrs. BOLTON. What is that?

Mr. FOSTER. International Atomic Energy Agency.

Mrs. BOLTON. Thank you.

Mr. FOSTER. They are strengthening their capabilities and their ability to inspect and look at the use of this material.

Mr. McDOWELL. In the meantime these reactors are in substance producing atomic material or potentially producing atomic material which can be diverted as well as used for peaceful purposes?

Mr. FOSTER. Very few of such. Most of them are under bilateral or IAEA agreements of one sort or another which do call for safeguards.

Chairman MORGAN. Mr. Gross.

Mr. GROSS. Mr. Foster, did I overlook in your presentation the list of your employees together with job descriptions and pay, or was that submitted to the committee?

Mr. FOSTER. That has been submitted to the committee.

Mr. GROSS. Could I have a copy of it?

Mr. FOSTER. You certainly may.

Mrs. KELLY. May we all have a copy? That is one of my requests.

Mr. GROSS. I would also like to know how many supergrades and Public Law 313's you have and so on and so forth, who they are, what their qualifications.

Mr. FOSTER. You certainly may have the list, sir.

Mr. GROSS. You are going to provide this for the committee, as I understand?

Mr. FOSTER. Yes.

(The information follows:)

#### U.S. ARMS CONTROL AND DISARMAMENT AGENCY

*Personnel listing as of Dec. 31, 1964*

#### Unclassified positions:

|                                                    |          |
|----------------------------------------------------|----------|
| Foster, William C., Director.....                  | \$30,000 |
| Fisher, Adrian S., Deputy Director.....            | 27,000   |
| Alexander, Archibald, Assistant Director.....      | 26,000   |
| Bunn, George, General Counsel.....                 | 26,000   |
| Nordness, Nedville E., Public Affairs Adviser..... | 24,500   |
| Scoville, Herbert, Assistant Director.....         | 26,000   |

*Personnel listing as of Dec. 31, 1964—Continued*

## GS-18:

|                                                |           |
|------------------------------------------------|-----------|
| Van Doren, Charles, Deputy General Counsel     | \$24, 500 |
| Matteson, Robert E., Disarmament Adviser       | 24, 500   |
| Rathjens, George W., Deputy Assistant Director | 24, 500   |
| Deutsch, Israel I., Deputy Assistant Director  | 24, 500   |
| Finley, Robert L., Deputy Assistant Director   | 24, 500   |

## GS-17: Conger, Clement E., special assistant

22, 195

## GS-16: Weiler, Lawrence D., special assistant

20, 245

## GS-15:

|                                                |         |
|------------------------------------------------|---------|
| Neidle, Alan F., attorney-adviser              | 17, 030 |
| Adams, Emery J., security specialist           | 18, 740 |
| Ertel, Walter C., budget officer               | 18, 170 |
| Holt, Philip C., assistant disarmament adviser | 19, 880 |
| Gellner, Charles R., foreign affairs officer   | 18, 170 |
| Moulton, Harland, foreign affairs officer      | 17, 600 |
| Benjamin, Donald, foreign affairs officer      | 17, 600 |
| Rich, Nathan, foreign affairs officer          | 18, 170 |
| Sage, Evan T., foreign affairs officer         | 18, 740 |
| Christopher, Albert, attorney-adviser          | 16, 460 |
| Brockdorff, Mildred, personnel officer         | 17, 030 |
| Durham, Richard, physical science officer      | 17, 030 |
| Zimmerman, M. O., contract specialist          | 17, 600 |
| Lippmann, John F., foreign affairs officer     | 18, 170 |
| Wyner, Henry D., international economist       | 17, 030 |
| Sivard, Ruth, international economist          | 17, 030 |
| Houck, Frank S., operations research officer   | 17, 030 |
| Finegold, Edmund, operations research officer  | 17, 030 |
| Coleman, Charles, physical science officer     | 18, 170 |
| Risley, Edward M., foreign affairs officer     | 18, 170 |
| Hughes, William J., industrial specialist      | 19, 880 |
| Rodberg, Leonard, physical science officer     | 16, 460 |

## GS-14:

|                                                |         |
|------------------------------------------------|---------|
| Lambert, Robert, foreign affairs officer       | 14, 170 |
| Davis, Hampton, administrative officer         | 15, 150 |
| Reinecker, H. Keith, security specialist       | 15, 150 |
| Lough, Thomas S., research psychologist        | 15, 150 |
| Blanchet, Jeremy, foreign affairs officer      | 15, 150 |
| Hall, John R., foreign affairs officer         | 16, 620 |
| Willrich, Mason, attorney-adviser              | 14, 170 |
| Griffiths, Douglas, contract specialist        | 14, 660 |
| Feiveson, Harold, physical science officer     | 14, 660 |
| Myers, Henry R., physical science officer      | 14, 660 |
| Berg, Robert, digital computer systems officer | 14, 660 |

## GS-13:

|                                            |         |
|--------------------------------------------|---------|
| Syphax, John W., foreign affairs officer   | 13, 335 |
| Kreith, Kurt, physical science officer     | 12, 495 |
| Burmester, Lenor, foreign affairs officer  | 12, 075 |
| Brandwein, Robert, international economist | 12, 075 |
| Kahan, Jerome, physical science officer    | 12, 075 |
| Stoll, Richard, physical science officer   | 12, 075 |

## GS-12:

|                                           |         |
|-------------------------------------------|---------|
| Harbinson, David K., attorney-adviser     | 10, 605 |
| Russell, Mary G., secretary               | 10, 960 |
| Bodnar, James S., foreign affairs officer | 11, 315 |
| Nary, Ralph W., foreign affairs officer   | 10, 605 |
| Mayer, Jean E., foreign affairs officer   | 10, 605 |
| Washburn, Alan V., attorney-adviser       | 10, 250 |

## GS-11:

|                                               |        |
|-----------------------------------------------|--------|
| Timko, Leona, secretary                       | 8, 945 |
| Walker, Eunice A., information specialist     | 9, 535 |
| Mills, Bernice M., management technician      | 9, 535 |
| Davis, Adalyn, foreign affairs officer        | 9, 240 |
| Sprecher, William M., international economist | 8, 650 |

*Personnel listing as of Dec. 31, 1964—Continued*

|                                                      |          |
|------------------------------------------------------|----------|
| GS-10:                                               |          |
| Chatterton, Adeline, secretary-----                  | \$8, 440 |
| Whittier, Alice O., secretary-----                   | 8, 710   |
| Doherty, Olive J., secretary-----                    | 9, 520   |
| Ferro, Ollie J., secretary-----                      | 7, 900   |
| Krenzel, Julia, secretary-----                       | 9, 520   |
| GS-9:                                                |          |
| Hilton, Rose, secretary-----                         | 7, 465   |
| Fitzpatrick, Mary, secretary-----                    | 8, 690   |
| Eller, June C., staff aid-----                       | 7, 955   |
| Gulasi, Anne, secretary-----                         | 7, 955   |
| Shaffer, Mary J., mail and file supervisor-----      | 8, 690   |
| Ihara, Ruth O., foreign affairs officer-----         | 7, 465   |
| Slany, Elizabeth A., documents officer-----          | 7, 955   |
| Johnson, Margaret, secretary-----                    | 7, 955   |
| Kennedy, Sadie S., secretary-----                    | 8, 690   |
| Barry, Julia E., secretary-----                      | 7, 465   |
| Graves, John H., documents officer-----              | 7, 465   |
| McFarland, Esther P., secretary-----                 | 7, 955   |
| Lersch, Margaret, secretary-----                     | 7, 710   |
| GS-8:                                                |          |
| McDougall, Elizabeth, secretary-----                 | 7, 070   |
| Glazer, Katherine, secretary-----                    | 7, 290   |
| Kascak, Patricia M., secretary-----                  | 7, 290   |
| Enuton, Barbara J., secretary-----                   | 6, 850   |
| Tewey, Barbara, secretarial assistant-----           | 7, 070   |
| GS-7:                                                |          |
| Williams, Patricia, secretary-----                   | 6, 650   |
| Weimer, Marian E., secretary-----                    | 6, 850   |
| Trapp, Pauline S., secretary-----                    | 7, 050   |
| Holm, Medora, staff aid-----                         | 7, 450   |
| Szpakowski, Helen, secretary-----                    | 7, 450   |
| Venable, Sammie, secretary-----                      | 7, 050   |
| Barrett, Margaret, secretary-----                    | 7, 450   |
| McCottry, Lorraine, secretary-----                   | 6, 850   |
| Giegerich, Marjorie, secretary-----                  | 7, 250   |
| Dexter, Evalyn, contract assistant-----              | 6, 050   |
| George, Roxanne, staff aid-----                      | 6, 250   |
| Cunningham, Jean, secretary-----                     | 6, 650   |
| Givens, Barbara J., secretary-----                   | 7, 450   |
| Rohrer, Gertrude, secretary-----                     | 7, 050   |
| Johnson, Christine, secretary-----                   | 7, 450   |
| Flaherty, Thomas P., general services assistant----- | 6, 250   |
| GS-6:                                                |          |
| Allen, Mary F., personnel clerk-----                 | 6, 060   |
| Yuzzolin, Linda C., secretary-----                   | 6, 800   |
| Knerr, Grace B., secretary-----                      | 5, 875   |
| Fliss, Henrietta, secretary-----                     | 5, 875   |
| Skeen, Cecelia, secretary-----                       | 5, 505   |
| Kostelnick, Lorraine, secretarial assistant-----     | 6, 245   |
| Glenn, Marguerite, secretarial assistant-----        | 6, 245   |
| GS-5:                                                |          |
| Ishimoto, Paul I., mail and file clerk-----          | 6, 155   |
| Vosseler, Oliver J., mail and file clerk-----        | 5, 660   |
| Johnson, Francis, mail and file clerk-----           | 5, 495   |
| Rowe, JoAnn M., secretary-----                       | 5, 330   |
| Weedon, Margaret C., secretary-----                  | 6, 155   |
| Leik, Trudy I., secretary-----                       | 5, 000   |
| Townsend, Susie M., secretary (stenography)-----     | 5, 000   |
| Gensh, Carole, secretary-----                        | 5, 000   |
| Johnson, Amalya, secretary-----                      | 5, 495   |
| Mitchell, Odessa M., secretarial assistant-----      | 5, 825   |
| Richards, Donna, secretary-----                      | 5, 000   |
| Pigza, Patricia, secretary-----                      | 5, 165   |

*Personnel listing as of Dec. 31, 1964—Continued*

## GS-4:

|                                               |          |
|-----------------------------------------------|----------|
| Pluchino, Josephine, clerk-typist.....        | \$4, 780 |
| Morgan, Mary P., clerk-stenographer.....      | 4, 480   |
| Wedlock, Joyce C., clerk-typist.....          | 4, 480   |
| Valentine, Catherine, clerk-stenographer..... | 4, 480   |
| Werfel, Lawrence K., clerk-stenographer.....  | 4, 480   |
| Davis, Pennie, mail and file clerk.....       | 4, 780   |
| Ham, Dolores I., clerk-stenographer.....      | 4, 480   |
| Von Berg, Judith A., clerk-stenographer.....  | 4, 480   |
| Fenwick, Ann, clerk-stenographer.....         | 4, 480   |
| Harley, Lillian, clerk-typist.....            | 5, 680   |
| Hollingsworth, Nancy, clerk-typist.....       | 4, 930   |
| Hall, Eileen M., clerk-typist.....            | 4, 780   |
| Barnhouse, Sandra L., clerk-stenographer..... | 4, 480   |

## GS-3:

|                                           |        |
|-------------------------------------------|--------|
| Weaver, Sherry, clerk-stenographer.....   | 4, 005 |
| Voegelé, Ruth, mail and file clerk.....   | 5, 220 |
| Sprouse, Ellen, clerk-stenographer.....   | 4, 005 |
| Waldron, Sharon, clerk-stenographer.....  | 4, 005 |
| Lynn, Patricia, clerk-stenographer.....   | 4, 005 |
| Lannan, Rosemary, clerk-stenographer..... | 4, 005 |
| Fleming, Teresa, clerk-typist.....        | 4, 005 |
| McElwee, Sonya, clerk-stenographer.....   | 4, 140 |

## GS-2:

|                                    |        |
|------------------------------------|--------|
| Hall, Melvin C., messenger.....    | 4, 180 |
| Ervin, James L., messenger.....    | 4, 430 |
| Pollard, Nathaniel, messenger..... | 3, 930 |
| McGraw, Janet, clerk-typist.....   | 3, 680 |

## Public Law 313 positions:

|                                                   |         |
|---------------------------------------------------|---------|
| Basore, Bennett L., physical science officer..... | 22, 195 |
| Wadman, Alton J., physical science officer.....   | 22, 195 |
| Saaty, Thomas L., physical science officer.....   | 22, 195 |
| Kopp, Robert, electronic engineer.....            | 20, 900 |
| Davis, Harold, military systems analyst.....      | 20, 245 |
| Rochlin, Robert S., physical science officer..... | 18, 935 |
| Passman, Sidney, physical science officer.....    | 22, 195 |
| Lieberman, Alfred, assistant project manager..... | 21, 445 |

*Foreign Service officer, Reserve, and Staff personnel detailed from the Department of State—Reimbursable, Dec. 31, 1964*

|                                                              |        |
|--------------------------------------------------------------|--------|
| Beam, Jacob D., Assistant Director.....                      | CM     |
| Donelan, Joseph F., Foreign Service officer.....             | FSO-1  |
| Freund, Richard B., Foreign Service officer.....             | FSO-1  |
| De Palma, Samuel, Foreign Service officer.....               | FSO-2  |
| Hayne, William, Foreign Service officer.....                 | FSO-4  |
| Siaticas, Spiros, Foreign Service officer.....               | FSO-4  |
| Miller, William F., Foreign Service officer.....             | FSO-4  |
| Bridges, Peter S., Foreign Service officer.....              | FSO-5  |
| Thompson, Richard, Foreign Service officer.....              | FSO-6  |
| Gross, Kurt, Foreign Service officer.....                    | FSO-6  |
| Carr, George, Foreign Service officer.....                   | FSO-6  |
| More, David D., Foreign Service officer.....                 | FSO-6  |
| deGunzburg, Marie, Foreign Service officer.....              | FSO-6  |
| Graybeal, Sidney, Foreign Service Reserve officer.....       | FSR-1  |
| Maddox, William, Foreign Service Reserve officer.....        | FSR-1  |
| Boggs, Marion, Foreign Service Reserve officer.....          | FSR-2  |
| Spingarn, Jerome, Foreign Service Reserve officer.....       | FSR-2  |
| Halla, Philip, Foreign Service Reserve officer.....          | FSR-3  |
| Irvin, Thomas, Foreign Service Reserve officer.....          | FSR-4  |
| Marks, Anne, Foreign Service Reserve officer.....            | FSR-5  |
| Moser, Gottfried, Foreign Service Reserve officer.....       | FSR-5  |
| Mullins, Francis, Foreign Service Reserve officer.....       | FSR-6  |
| Calkins, Howard, Foreign Service career Reserve officer..... | FSCR-3 |
| Peyton, Betty, Foreign Service Staff.....                    | FSS-4  |
| Mistach, Edward, Foreign Service Staff.....                  | FSS-6  |

*Military personnel detailed from Department of Defense—Reimbursable*

|                     |                                     |
|---------------------|-------------------------------------|
| Creedy, R.B.        | Captain, U.S. Navy.                 |
| Dean, Fred M.       | Lieutenant general, U.S. Air Force. |
| O'Connor, Denis P.  | Colonel, U.S. Air Force.            |
| Long, Paul J.       | Colonel, U.S. Air Force.            |
| McCoy, Charles W.   | Colonel, U.S. Marine Corps.         |
| Parrot, Kent.       | Colonel, U.S. Air Force.            |
| Porter, Stuart.     | Colonel, U.S. Air Force.            |
| Quandt, Douglas P.  | Major general, U.S. Army.           |
| Richards, Ira B.    | Colonel, U.S. Army.                 |
| Frame, Ralph.       | Commander, U.S. Navy.               |
| Struby, Joseph R.   | Lieutenant colonel, U.S. Air Force. |
| Cason, Duane S.     | Colonel, U.S. Army.                 |
| Tisdale, Charles H. | Captain, U.S. Navy.                 |

Mr. GROSS. Since you have less than 200 employees, I don't believe this is asking for too much. Are you going to supply the committee with a list of your contracts, to whom the contracts have been entered into, whether—

Chairman MORGAN. The Agency has supplied a tabulation on that, too, Mr. Gross.

Mr. GROSS. Whether they are competitive or negotiated contracts?

Mr. FOSTER. Yes, sir.

(The information follows:)

U.S. ARMS CONTROL AND DISARMAMENT AGENCY  
*Information on contracts and grants awarded, July 1, 1963, through Dec. 31, 1964*  
 MODIFICATIONS TO CONTRACTS PREVIOUSLY REPORTED FOR FISCAL YEARS 1962 AND 1963

| Contractor                                      | Contract No.                  | Grant No. <sup>1</sup>      | Unsolicted proposals <sup>2</sup> | Procurement by informal competition <sup>3</sup> | Procurement by formal competition |                                              |                              |                                    | Sole source <sup>4</sup> or follow-on <sup>5</sup> | Amount  |
|-------------------------------------------------|-------------------------------|-----------------------------|-----------------------------------|--------------------------------------------------|-----------------------------------|----------------------------------------------|------------------------------|------------------------------------|----------------------------------------------------|---------|
|                                                 |                               |                             |                                   |                                                  | Invitees                          | Additional requests for the request proposal | Number of proposals received | Award other than original invitees |                                                    |         |
| Hudson Institute.....                           | ACDA/IR-10, amendment No. 2   |                             |                                   |                                                  | 6                                 | 16                                           | 7                            | No                                 | Follow-on to competition.                          | \$825   |
| Historical Evaluation & Research Organization.. | ACDA/GC-17                    |                             |                                   |                                                  | 8                                 | 65                                           | 7                            | Yes                                | do                                                 | 516     |
|                                                 | Amendment No. 2               |                             |                                   |                                                  |                                   |                                              |                              |                                    |                                                    | 9,806   |
|                                                 | Amendment No. 3               |                             |                                   |                                                  |                                   |                                              |                              |                                    |                                                    | 3,570   |
|                                                 | Amendment No. 4               |                             |                                   |                                                  |                                   |                                              |                              |                                    |                                                    | 637     |
|                                                 | Amendment No. 5               |                             |                                   |                                                  |                                   |                                              |                              |                                    |                                                    |         |
| Bendix Systems Division...                      | ACDA/WEC-18                   |                             |                                   |                                                  | 15                                | 1                                            | 11                           | No                                 | Follow-on to competition (ACDA-I).                 | 3,000   |
|                                                 | Amendment No. 2               |                             |                                   |                                                  |                                   |                                              |                              |                                    |                                                    | 151,800 |
|                                                 | Supplement No. 1              |                             |                                   |                                                  |                                   |                                              |                              |                                    |                                                    | 203,900 |
| Research Analysis Corp....                      | ACDA/WEC-21, supplement No. 1 |                             |                                   |                                                  |                                   |                                              |                              |                                    | Follow-on to sole source.                          | 150,000 |
| Stanford Research Institute.                    | ACDA/WEC-23, supplement No. 1 |                             |                                   |                                                  | 15                                | 44                                           | 11                           | No                                 | Follow-on to competition.                          | 226,700 |
| Institute for the Study of National Behavior.   |                               | ACDA/E-28, amendment No. 1. |                                   |                                                  |                                   |                                              |                              |                                    |                                                    | 389     |
| Burroughs Corp.....                             | ACDA/WEC-29, amendment No. 2  |                             |                                   |                                                  | 14                                | 72                                           | 22                           | No                                 | Follow-on to competition.                          | 3,426   |
| Arthur D. Little, Inc.....                      | ACDA/ST-31                    |                             |                                   |                                                  |                                   |                                              |                              |                                    | Follow-on to sole source.                          | 20,604  |
|                                                 | Amendment No. 2               |                             |                                   |                                                  |                                   |                                              |                              |                                    |                                                    | 79,990  |
| Yale University.....                            | ACDA/IR-32, amendment No. 1.  |                             |                                   |                                                  | 22                                | 29                                           | 11                           | No                                 | Follow-on to competition.                          | 5,000   |
| Johns Hopkins University..                      | ACDA/IR-34                    |                             |                                   |                                                  | 20                                | 7                                            | 5                            | No                                 | do                                                 | 8,555   |
|                                                 | Amendment No. 1               |                             |                                   |                                                  |                                   |                                              |                              |                                    |                                                    | 6,500   |
|                                                 | Amendment No. 2               |                             |                                   |                                                  |                                   |                                              |                              |                                    |                                                    | 16,085  |
|                                                 | Amendment No. 3               |                             |                                   |                                                  |                                   |                                              |                              |                                    |                                                    |         |

See footnotes at end of table, p. 33.

## TO AMEND FURTHER THE ARMS CONTROL ACT

## U.S. ARMS CONTROL AND DISARMAMENT AGENCY—Continued

Information on contracts and grants awarded, July 1, 1963, through Dec. 31, 1964—Continued

CONTRACTS, GRANTS, AND MODIFICATIONS THEREOF FOR FISCAL YEAR 1964 AND 1ST HALF OF 1965

| Contractor                                                                                                                                                    | Contract No.                                                                                 | Grant No. <sup>1</sup> | Unsolicited proposals <sup>2</sup> | Procurement by informal competition <sup>3</sup> | Procurement by formal competition |                                                  |                              |                                    | Sole source <sup>4</sup> or follow-on <sup>5</sup>                                | Amount                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|------------------------|------------------------------------|--------------------------------------------------|-----------------------------------|--------------------------------------------------|------------------------------|------------------------------------|-----------------------------------------------------------------------------------|---------------------------------------------------|
|                                                                                                                                                               |                                                                                              |                        |                                    |                                                  | Invoices                          | Additional requests for the request for proposal | Number of proposals received | Award other than original invitees |                                                                                   |                                                   |
| Booz-Allen Applied Research, Inc.<br>Mathematica.....                                                                                                         | ACDA/WEC-35.<br>Amendment No. 1.<br>ACDA/ST-37.....                                          |                        |                                    |                                                  | 11                                | 43                                               | 11                           | Yes                                | Follow-on to competition.<br>Follow-on to competition (ADCA/ST-3).                | \$91,300<br>43,324<br>48,058                      |
| William Ostrowski.<br>Prof. Franklyn D. Holzman.<br>Hughes Aircraft Co.<br>Southern Methodist University.<br>Sylvania Electric Products.                      | ACDA/ST-38.<br>ACDA/E-39.....<br><br>ACDA/ST-40.<br>ACDA/GC-41.....<br>ACDA/ST-42.....       |                        |                                    |                                                  | 13<br>25                          | 30<br>12                                         | 12<br>4                      | Yes<br>No                          |                                                                                   | 15,000<br>12,600<br>136,275<br>109,200<br>215,000 |
| Aerospace Corp.....                                                                                                                                           | ACDA/ST-43.<br><br>Amendment No. 1.<br>ACDA/GC-44.....<br>ACDA/E-45.<br>Amendment No. 1..... |                        |                                    |                                                  | 11                                | 16                                               | 1                            | Yes                                | Follow-on to competition.<br>ACDA/ST-12.<br>Follow-on to sole source./ACDA/ST-13. | 120,000<br>60,000<br>56,850<br>49,000<br>90,000   |
| Columbia University.<br>Do.....                                                                                                                               | ACDA/DAS-46, amendment No. 1.<br>ACDA/E-47.<br>ACDA/E-48.<br>ACDA/ST-49.<br>ACDA/IR-50.....  |                        | X                                  | Summer study.                                    |                                   | 61                                               | 20                           | No                                 | Sole source.<br>Follow-on to sole source.                                         | 81,686<br>12,648<br>107,000<br>30,409<br>116,505  |
| Harvard University<br>Control Data Corp.<br>Battelle Memorial Institute.<br>University of Michigan.<br>The Johns Hopkins University.<br>Hudson Institute..... | ACDA/ST-51.<br>Amendment No. 1.....                                                          |                        |                                    |                                                  | 9                                 | 38                                               | 14                           | No                                 |                                                                                   | 204,139<br>1,160                                  |

|                                                                                                                                                                                        |                                                                                                              |             |                         |                      |                      |                      |                        |                                             |                                                                                 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|-------------|-------------------------|----------------------|----------------------|----------------------|------------------------|---------------------------------------------|---------------------------------------------------------------------------------|
| Aspen Institute for Humanistic Studies.<br>Stanford University.                                                                                                                        | ACDA/ST-52.<br>ACDA/IR-53.<br>Amendment No. 1.<br>ACDA/WEC-54.                                               |             | Summer study.           | 28                   | 27                   | 7                    | No                     | Follow-on to competition.                   | 36,500<br>164,186<br>182,314<br>235,000                                         |
| Sylvania Electric Products, Inc.<br>Los Angeles State College.<br>Midwest Research Institute.<br>National Planning Association.                                                        | ACDA/RS-55.<br>ACDA/SP-56.<br>Amendment No. 1.<br>ACDA/E-57.<br>Amendment No. 1.<br>ACDA/E-58.<br>ACDA/E-59. |             |                         | 20<br>25<br>31<br>61 | 24<br>59<br>20<br>41 | 11<br>17<br>14<br>41 | No<br>Yes<br>Yes<br>No | Follow-on to competition.                   | 48,955<br>130,000<br>909<br>125,705                                             |
| Kirschner Associates.<br>University of Michigan.<br>Harold Joseph Berman.                                                                                                              | ACDA/RS-55.<br>ACDA/SP-56.<br>Amendment No. 1.<br>ACDA/E-57.<br>Amendment No. 1.<br>ACDA/E-58.<br>ACDA/E-59. |             | Services of Individual. | 61                   | 41                   | 41                   | No                     | Follow-on to competition.                   | 7,500<br>31,824<br>4,065                                                        |
| TRW Space Technology Laboratory.<br>Control Data Corp.                                                                                                                                 | ACDA/GC-60.<br>ACDA/ST-61.<br>ACDA/WEC-62.<br>Amendment No. 1.                                               | X           |                         |                      |                      |                      |                        | Sole source, Individual.                    | 1,000<br>125,028                                                                |
| The Brookings Institution.<br>University of Pennsylvania.<br>North American Aviation.                                                                                                  | ACDA/RS-63.<br>ACDA/ST-64.<br>ACDA/WEC-65.                                                                   | X<br>X      |                         |                      |                      |                      |                        | Follow-on.<br>Sole source<br>(ACDA/WEC-47). | 75,000<br>15,000                                                                |
| Midwest Research Institute.<br>Martin-Marietta Corp.<br>Denver Research Institute.<br>State of New York, Department of Labor, Division of Employment.<br>The Johns Hopkins University. | ACDA/E-66.<br>ACDA/E-67.<br>ACDA/E-68.<br>ACDA/E-69.<br>ACDA/GC-70.                                          | X<br>X<br>X |                         | 85<br>97<br>29       | 40<br>44<br>17       | 23<br>23<br>2        | Yes<br>No<br>Yes       | Follow-on to competition<br>(ACDA/WEC-30).  | 100,404<br>73,800<br>240,400<br>84,314<br>12,587<br>53,739<br>80,000<br>195,746 |

<sup>1</sup> The Agency has made a general solicitation of grants for research by individuals and nonprofit institutions in the field of arms control and disarmament. Thus, all grant proposals compete against each other for the funds available; the Agency does not seek competition among prospective grantees on specific research projects.

<sup>2</sup> These proposals were the initiative for the research project and was not taken by the Agency but where the initiative was entirely that of the proposer and, either by reason of the profit-making character of the project, or by reason of the nature of the work, the Agency believes that the appropriate vehicle for agreement is a contract rather than a grant. Such proposals are inconsistent with the Agency's research program, be well developed, represent a considerable investment of time and effort by the proposer, and not be readily available from other sources in order to qualify for a noncompetitive contract award.

<sup>3</sup> Normally the Agency seeks competition by issuing formal requests for proposals

(RFP's). In isolated instances, where the interests of the Government would be better served by significant savings of time and/or money, competition may be sought informally by telephonic or personal visit inquiries concerning interest and capability of prospective contractors.

<sup>4</sup> Contracts may be awarded without seeking competition in instances in which the project officer has made a thorough review of existing capabilities and has determined that there is only 1 source for the work. Before a contract award is made on this basis, the project officer's evaluation is reviewed by the Research Council and specifically approved or disapproved by the Director or his Deputy.

<sup>5</sup> Follow-on contract awards are similar in nature to sole-source awards, but are made on the ground that the contractor concerned has already performed such work for the Agency that it would be contrary to the best interests of the Government to award the contract to a different organization.

## TO AMEND FURTHER THE ARMS CONTROL ACT

## U.S. ARMS CONTROL AND DISARMAMENT AGENCY

## Information on contracts and grants awarded during fiscal years 1962 and 1963

| Contractor                                              | Contract No.     | Grant No. <sup>2</sup> | Unsolicited proposals <sup>3</sup> | Procurement by informal competition <sup>4</sup> | Procurement by formal competition <sup>1</sup> |                                              |                              |                                    | Sole source <sup>5</sup> or follow-on <sup>6</sup> | Amount    |
|---------------------------------------------------------|------------------|------------------------|------------------------------------|--------------------------------------------------|------------------------------------------------|----------------------------------------------|------------------------------|------------------------------------|----------------------------------------------------|-----------|
|                                                         |                  |                        |                                    |                                                  | Invites                                        | Additional requests for the request proposal | Number of proposals received | Award other than original invitees |                                                    |           |
| Bendix Systems Division.....                            | ACDA-1.....      |                        |                                    |                                                  | 15                                             | 1                                            | 11                           | No                                 |                                                    | \$150,000 |
| Raytheon Co.....                                        | ACDA/WEC-2.....  |                        |                                    |                                                  | 9                                              | 0                                            | 5                            |                                    |                                                    | 125,000   |
| Mathematica.....                                        | ACDA/ST-3.....   |                        |                                    |                                                  | 9                                              | 0                                            | 1                            |                                    |                                                    | 47,461    |
| K. Gzybowski.....                                       | ACDA/GC-4.....   |                        |                                    | Individual <sup>7</sup>                          |                                                |                                              |                              |                                    |                                                    | 3,000     |
| Institute for Defense Analyses.....                     | ACDA/ST-5.....   |                        |                                    | Summer study <sup>8</sup>                        |                                                |                                              |                              |                                    |                                                    | 120,000   |
| Bendix Systems Division.....                            | ACDA/ST-6.....   |                        |                                    |                                                  | 16                                             | 5                                            | 13                           | No                                 |                                                    | 95,000    |
| American Academy of Arts and Sciences.....              | ACDA/IR-7.....   |                        |                                    |                                                  |                                                |                                              |                              |                                    |                                                    | 15,000    |
| Peace Research Institute.....                           | ACDA/IR-8.....   |                        |                                    |                                                  |                                                |                                              |                              |                                    |                                                    | 20,000    |
| Institute for Defense Analyses.....                     | ACDA/WEC-9.....  |                        |                                    |                                                  |                                                |                                              |                              |                                    |                                                    | 10,000    |
| Hudson Institute.....                                   | ACDA/IR-10.....  |                        |                                    |                                                  | 6                                              | 16                                           | 7                            | No                                 |                                                    | 147,000   |
| Richard A. Falk.....                                    | ACDA/GC-11.....  |                        |                                    |                                                  | 3                                              | 0                                            | 3                            |                                    |                                                    | 3,500     |
| Sylvania Electric Products Co.....                      | ACDA/ST-12.....  |                        |                                    |                                                  | 11                                             | 38                                           | 13                           | No                                 |                                                    | 354,000   |
| Aerospace Corp.....                                     | ACDA/ST-13.....  |                        |                                    |                                                  |                                                |                                              |                              |                                    | Sole source.....                                   | 217,700   |
| Institute for Strategic Studies.....                    | ACDA/WEC-14..... |                        |                                    |                                                  |                                                |                                              |                              |                                    |                                                    | 21,064    |
| MIT.....                                                | ACDA/IR-15.....  |                        |                                    |                                                  |                                                |                                              |                              |                                    |                                                    | 65,000    |
| Bendix Systems Division & Research Organization.....    | ACDA/ST-16.....  |                        | X                                  |                                                  |                                                |                                              |                              |                                    | Follow-on <sup>9</sup> .....                       | 218,500   |
| Bendix Systems Division.....                            | ACDA/GC-17.....  |                        |                                    |                                                  | 8                                              | 65                                           | 7                            | Yes                                |                                                    | 162,000   |
| Johns Hopkins University.....                           | ACDA/WEC-18..... |                        |                                    |                                                  |                                                |                                              |                              |                                    | Follow-on <sup>10</sup> .....                      | 158,500   |
| Rutgers University, Eagleton Institute of Politics..... | ACDA/GC-19.....  |                        |                                    |                                                  | 12                                             | 31                                           | 3                            | No                                 |                                                    | 87,308    |
| Research Analysis Corp.....                             | ACDA/IR-20.....  |                        |                                    |                                                  |                                                |                                              |                              |                                    |                                                    | 40,000    |
| Sylvania Electronic Systems.....                        | ACDA/WEC-21..... |                        |                                    |                                                  |                                                |                                              |                              |                                    | Sole source.....                                   | 177,300   |
| Stanford Research Institute.....                        | ACDA/WEC-22..... |                        |                                    |                                                  | 14                                             | 25                                           | 12                           | No                                 |                                                    | 202,000   |
| MIT.....                                                | ACDA/WEC-23..... |                        |                                    |                                                  | 15                                             | 44                                           | 11                           | No                                 |                                                    | 297,688   |
| MIT.....                                                | ACDA/IR-24.....  |                        |                                    |                                                  | 9                                              | 30                                           | 4                            | No                                 |                                                    | 145,000   |
| Columbia University.....                                | ACDA/DAS-25..... |                        |                                    | Summer study <sup>11</sup>                       |                                                |                                              |                              |                                    |                                                    | 91,000    |
| Dr. Richard H. Pfaff.....                               | ACDA/IR-26.....  |                        |                                    |                                                  |                                                |                                              |                              |                                    |                                                    | 1,500     |
|                                                         | ACDA/WEC-27..... |                        |                                    |                                                  |                                                |                                              |                              |                                    |                                                    |           |

(12)

|                                                                                                                                                                                                                                                  |             |           |    |    |    |    |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-----------|----|----|----|----|----------|
| Instituto for the Study of<br>National Behavior, Inc.<br>Burrage Corp.<br>North American Aviation<br>Arthur D. Little<br>Yale University<br>President and fellows of<br>Harvard College (Roger<br>Fisher).<br>The Johns Hopkins Uni-<br>versity. | ACDA/WEC-29 | ACDA/E-28 |    |    |    |    | 10, 704  |
|                                                                                                                                                                                                                                                  | ACDA/WEC-30 |           | 14 | 72 | 22 | No | 203, 990 |
|                                                                                                                                                                                                                                                  | ACDA/ST-31  |           | 9  | 86 | 20 | No | 136, 600 |
|                                                                                                                                                                                                                                                  | ACDA/IR-32  |           | 22 | 29 | 11 | No | 159, 000 |
|                                                                                                                                                                                                                                                  | ACDA/OC-33  |           |    |    |    |    | 90, 000  |
|                                                                                                                                                                                                                                                  | ACDA/IR-34  |           | 20 | 7  |    | No | 6, 000   |
|                                                                                                                                                                                                                                                  |             |           |    |    |    |    | 139, 000 |

<sup>1</sup> Procurement by formal competition means selection of a contractor after consideration of competitive proposals received as the result of direct invitations to submit proposals and of the publication of the invitation in the Department of Commerce synopsis. After selection of the contractor, the contract is negotiated.

<sup>2</sup> The Agency has made a general solicitation of grants for research by individuals and nonprofit institutions in the field of arms control and disarmament. Thus, all grant proposers compete against each other for the funds available. The Agency does not seek competition among prospective grantees on specific research projects.

<sup>3</sup> These are proposals where the initiative for the research project was not taken by the Agency, but where the initiative was entirely that of the proposer and, either by reason of the profitmaking character of the proposer, or by reason of the nature of the work, the Agency believes that the appropriate vehicle for agreement is a contract rather than a grant. Such proposals must be consistent with the Agency's research program, be well developed, represent a considerable investment of time and effort by the proposer, and not be readily available from other sources in order to qualify for a noncompetitive contract award.

<sup>4</sup> Normally the Agency seeks competition by issuing formal requests for proposals (RFP's). In isolated instances, where the interests of the Government would be better served by significant savings of time and/or money, competition may be sought informally by telephonic or personal visit inquiries concerning interest and capability of prospective contractors. See footnotes 7 and 8, infra.

<sup>5</sup> Contracts may be awarded without seeking competition in instances in which the project officer has made a thorough review of existing capabilities and has determined that there is only 1 source for the work. Before a contract award is made on this basis, the project officer's evaluation is reviewed by the Research Council and specifically approved or disapproved by the Director or his Deputy.

<sup>6</sup> Follow-on contract awards are similar in nature to sole-source awards, but are made on the ground that the contractor concerned has already performed such work for the Agency that it would be contrary to the best interests of the Government to award the contract to a different organization. See footnotes 9 and 10, infra, for specific examples.

<sup>7</sup> This was a contract where the work desired involved a very unusual combination of talents and circumstances for a very small contract project; research and writing experience, knowledge of computer and Soviet bloc law and facility with a number of Eastern European languages were the talents required, and promptly available time, as well as ready access to a major library, were necessary circumstances. The project officer made informal inquiry of who might fulfill these unusual requirements and obtained the names of 5 possible persons to perform the work, 1 each from Harvard, Columbia, Michigan, and Cornell, and Mr. Grzybowski, from Washington, D.C. Two of these men were planning to be out of the country and 2 others contacted indicated they would not have

time, within the reasonable foreseeable future, to perform the work. Mr. Grzybowski, who upon extensive inquiry was generally said to be eminently qualified, was ready to proceed promptly at a reasonable price. The Agency did not feel that any purpose would be served by seeking competition on a more formal basis. It was believed that early completion of the study might prove helpful in connection with the negotiations in Geneva pertaining under a possible arms control and disarmament agreement.

<sup>8</sup> In this instance, the Agency contacted the National Academy of Sciences and the Institute for Defense Analyses for the performance of the work. The Academy decided it did not wish to undertake a study which was heavily concerned with social, as well as physical sciences, time would have permitted seeking additional competition. The Agency then turned to the Institute, pointing out requirements for participants, to have done otherwise would, because of 60- to 90-day clearance requirements for participants, have meant delaying the study for a year. Most of the desired participants were from academic institutions and were only free during the summer months. The study itself was vitally important to the further progress of Agency research during fiscal year 1963 on both verification and responses to violations.

<sup>9</sup> This contract concerns means of detecting violations of treaty limitations on strategic delivery vehicles through indicators related to the deployment, storage, and support of such vehicles. The study parallels ACDA-1, and because of the expertise and familiarity of Bendix on the earlier study and the close interrelationship of the 2 undertakings it was both logical and believed to be in the best interests of the Government to award this contract to Bendix.

<sup>10</sup> This contract is for the design of a field test for verifying treaty limitations on the production, testing, storage, maintenance, and deployment of strategic delivery vehicles. Because Bendix was the contractor for the 2 earlier studies dealing with means for detecting violations of such treaty limitations, it was only logical that it should be selected to develop the plans for giving practical application to its theoretical findings in the earlier efforts. This was felt to be in the best interests of the Government because of the special knowledge that Bendix Systems Division personnel had acquired in this area.

<sup>11</sup> When the Agency decided to sponsor this study, it concluded that a major research organization, with a group that specializes in Soviet problems, headed by an individual with the stature and maturity to direct a study symposium on Soviet attitudes, would be best equipped to draw together the experts desired, to guide and chair the symposium, and to prepare the final report. We sought competition for the contract informally by approaching 4 such organizations; the Russian Research Institute of Columbia was the only one that was both interested; the Russian Research Institute of Columbia was the willing and able to play the leading role in performing the contract and whose director was

<sup>12</sup> Negotiations terminated without agreement.

Mr. GROSS. How much has been appropriated and transferred to the ACDA since it was set up? Do you have that figure at hand?

Mr. FOSTER. You mean transferred other than our own appropriations?

Mr. GROSS. Right.

Mr. FOSTER. The first year's operation, at the rate of a million—we had a million appropriated and \$831,000 transferred from the predecessor agency in the State Department.

Mr. GROSS. That is your only transfer?

Mr. FOSTER. That is the only transfer.

Mr. GROSS. How much of prior appropriations are unobligated as of this time?

Mr. FOSTER. \$1,000,669.

Mr. GROSS. You entered into a contract—

Mr. FOSTER. I am sorry, sir. That is authorization not appropriated.

Mr. GROSS. That is authorization but not obligated?

The ACDA entered into a contract with a Kansas City firm on December 31. This is the date of your propaganda sheet, which is numbered "Release No. 29, Research Contract for the Study of Industrial Conversion Potential in the Shipbuilding Industry." The contract calls for \$84,314 with Mid-West Research Institute of Kansas City, Mo., for a study of the shipbuilding industry.

What qualifies the Mid-West Research Institute as an authority on shipbuilding?

Mr. FOSTER. A good deal of experience of a subcontractor of that institute in ship transportation. The subcontractor is Matson Navigation Co.

Mr. GROSS. Am I to understand that the Secretary of Defense when he closed, for instance, the Brooklyn Navy Yard, did not take into account the impact upon the economy of that area; that you now have to go to the Mid-West Institute of Kansas City to obtain information I think the Secretary of Defense had available when he ordered the Brooklyn Navy Yard and other installations closed?

Mr. FOSTER. We believe this can identify what shipyards can best be used for, if they are changed in their activity. That is a competitive contract. We believe this is a choice which was based on the best personnel, best choice and best cost. The proposed study was coordinated with the Defense Department, Commerce Department, Small Business Administration, the Bureau of the Budget, Economic Advisers, NASA, AEC, CIA, and the President's Committee on Economic Development.

Mr. GROSS. As a cold matter of fact this is a typical bureaucrat release. I can't tell exactly what you are up to with this contract with the Mid-West Research Institute.

Mr. William Stevens in the Navy Bureau of Ships says he has furnished considerable data on this subject to Mr. Don Bradford, Director of the Office of Economic Adjustment, Department of Defense. And it is further interesting to note, Mr. Foster, that the Office of Economic Adjustment, Department of Defense, has six professional people, of whom at least two are supergrades, apparently engaged in some of the same work you are contracting out.

So they are supplying this information. When you were here the last time it was my opinion that you were duplicating all over the

lot. I still think that. I am going to be very much interested in the list of your contracts, the amounts and purposes.

Moreover, I want to see some of the reports that must have been supplied over this period of time dealing with these various subjects. I want to know whether there is not the same information already available in other agencies of Government and many other agencies of Government.

Mr. FOSTER. You have a list of a number of the contracts. We are not duplicating. These are all discussed with the other agencies before they are placed and the amount of duplication has been minimized. I won't say it has been eliminated. That would be a foolish statement to make in this Government of ours. But it has certainly been substantially reduced by the opportunity of coordinating and by the instructions of the Executive order under which we operate in this field.

Mr. GROSS. In hearings before the House Appropriations Committee last year the ACDA presented a budget for \$11 million. You got \$9 million; is that not correct?

Mr. FOSTER. Nine from the Senate, which was concurred in by the House.

Mr. GROSS. \$9 million.

Mr. FOSTER. Yes.

Mr. GROSS. On the basis of this you were to have 214 employees; is that not correct?

Mr. FOSTER. That is correct.

Mr. GROSS. Now you are going to have 214 employees although you were cut back. Where do you get the money to put these, to finance these 214 employees? You were cut back by \$2 million.

Mr. FOSTER. 214 employees were what was allowed.

Mr. GROSS. Getting back to your employees and the list you are going to furnish this committee, if it is within your power to do so, I wish you would tell this committee where the 21 key employees that you have lost—I believe the figure was 21 that you used, or approximately 21—where these employees went? Did they go to some of these contract organizations?

Mr. FOSTER. We will be very glad to see what we can find. They went to a number of places which we will attempt to find for you.

Mr. GROSS. Has my time expired?

Chairman MORGAN. The gentleman's time has expired.

Mr. Murphy.

Mr. MURPHY. Thank you, Mr. Chairman.

Mr. Foster, have you noticed any change in the Soviet's position in Geneva following the explosion of the bomb in Sinkiang by Red China?

Mr. FOSTER. Mr. Murphy, we have not been in Geneva since that explosion. We of course in Geneva were aware of the possibility that it would take place. We have been in contact with the Soviet representatives in New York since that explosion, and there is no change in the representatives' personal approach to these problems. They are very silent when we ask them about the Chinese situation.

Mr. MURPHY. Thank you.

Chairman MORGAN. Mr. Berry.

Mr. BERRY. Just one question.

Isn't it true, Mr. Foster, that actually on these policymaking decisions that the White House maintains a very sizable staff doing about the same studies?

Mr. FOSTER. No, sir. The staff in the White House, a very competent staff, act as advisers to the President. They sit in, as I indicated, in the persons of McGeorge Bundy and Dr. Hornig, on the meetings of the Committee of Principals. We are in constant touch with them but they act as staff people and do not in effect arrive at the same decisions.

They sit in when we create or take the initiative in proposing these things. They of course sit in the Committee of Principals to discuss them.

We are in touch with the assistants to those assistants and with the individuals themselves. I would not say that they are individually or as a group in the White House making the same kind of policy determinations.

Mr. BERRY. You said in answer to I believe it was probably the questions of Mr. Frelinghuysen with regard to—in your answer to the question on the policy on the multilateral force thing, you said that you followed the policies of the President. In other words, those policies are laid down before you go to work, is that correct?

Mr. FOSTER. No, not necessarily, sir. We have a policy recommending function which is and has been discharged throughout the life of this Agency. Many of the items that have gone as recommendations to the President have originated in this Agency and in many instances have been accepted by the President as national policy for negotiating and for action in this field.

Mr. BERRY. Based on your studies, then?

Mr. FOSTER. Based on our studies, based on our discussions, based on our in-house expertise.

Mr. BERRY. And not on the studies of the White House staff?

Mr. FOSTER. No, I do not mean to say that the White House does not have ideas of a general direction, general sort of thing which they would like to do. Indeed ideas in this field may come from many different points, and the White House has certainly had their share. The working out of the policy and the initiation of many of them grow out of our research and our studies and our in-house discussions.

Mr. GROSS. Will you yield to me?

Chairman MORGAN. Does the gentleman yield to Mr. Gross?

Mr. BERRY. Yes.

Mr. GROSS. Another contract, Mr. Foster, numbered E-69, which your Agency has with New York State for a study of "The Impact on Long Island Labor Force of Defense Contract Phaseouts." Isn't this a study that can and should be done by the Department of Defense and perhaps has already been done by the Department of Defense?

Mr. FOSTER. It has not been done by the Department of Defense. It is a joint study. The Department of Defense is 50 percent in this with us. And the New York State Department of Labor, Division of Employment, is the contractor. Actually it is a part of a three-phased approach in that particular hard-hit area, Nassau, Suffolk and the other two phases which involve almost—between \$700,000 and \$900,000

is a part of the funds which have been provided under the Manpower Development and Training Act.

Mr. GROSS. What is the price tag on that contract with New York State?

Mr. FOSTER. The contract is \$80,000, of which we put up \$40,000. The Department of Defense puts up \$40,000. It has been fully coordinated with the same list of agencies, which I will not repeat, that I spoke of in connection with the other economic—

Mr. GROSS. Does the use of this contract procedure in lieu of other means permit the contractor to add various costs that cannot be paid under a grant?

Mr. FOSTER. I don't quite understand your question.

Mr. GROSS. Do you pay more under a contract than you would under a grant?

Mr. FOSTER. No.

Mr. GROSS. Are there costs loaded into this?

Mr. FOSTER. This is a contract under the terms of our normal contract in which we set forth the purpose of the contract and we then negotiate with the contractor. In this case the New York State Department of Labor obviously has a keen interest and much knowledge about the field. This helps them to do the job that they could not otherwise do, which gives an idea of what happens in cutbacks—

Mr. GROSS. You mean the State of New York can't provide you with these figures if they already have them?

Mr. FOSTER. It isn't figures that they already have.

Mr. GROSS. Or information, facts, whatever you want to call it.

Mr. FOSTER. No; they cannot. This is a special kind of information which this contract is designed to develop.

Chairman MORGAN. The time of the gentleman from South Dakota has expired.

Mr. Monagan.

Mr. MONAGAN. Thank you, Mr. Chairman.

Mr. FOSTER, what is the 1965 appropriation for the Agency?

Mr. FOSTER. \$9 million.

Mr. MONAGAN. I beg your pardon?

Mr. FOSTER. \$9 million.

Mr. MONAGAN. What was it the previous year?

Mr. FOSTER. The previous appropriation was \$7½ million.

Mr. MONAGAN. I don't want to take the time to discuss it. It has previously at least been adverted to, but I don't approve of a 4-year authorization. I think we in the Congress have been tending too much to lose control of some of these programs, and I just want to state my position on that request at this time.

There is one sort of philosophical question that concerns me about the Agency. Isn't it a fact that there is an assumption here that by discussion we are going to break down the position that the Russians, for example, have taken? Isn't this in contrast to the actual power situation that exists? When the Russians are ready to talk, won't they talk and won't that decision be something that will be made at the top of the pyramid rather than through discussions? I think, for example, of the rather hopeful situation that existed last summer when I was in Geneva when there was talk at that time of the Russians being willing to discuss all the different possibilities that previously

they had refused to discuss, the destruction of some carrier vehicles and so forth. What do you say about this?

I am not suggesting that I would not support a continuation of the Agency at this time. I think it is important, particularly in view of the changing situation in Eastern Europe, to do so.

But would you want to comment on my statement?

Mr. FOSTER. I think one must discuss these complicated matters at great length. I think the discussions have clarified many of the uncertainties and have led in some cases to actual working out of arrangements. I don't think that you can just make a decision at the top that you are going to for instance get rid of all nuclear weapons without a long period of discussion.

I think the period of discussion that preceded the limiting of the stationing of weapons of mass destruction in orbit is an example of the educational process about the advantages of nonarmament in an environment where it would be extremely costly if we armed, and extremely threatening.

I think the discussions are a necessary accompaniment to any progress in this. I think the Geneva discussions over the period of 2½ or 3 years now has perhaps been the greatest enlightenment to many, many nations of what one must do in this to achieve practical progress.

I think that the ability to know what the effects of various things will be is, of course, No. 1, an outgrowth of our research program; No. 2, I think the grasp we have of those subjects enables us at those discussions to point out why this is good, what the effects will be, will it maintain the present balance, such as it is.

No, I think this is a very essential part of this sort of important negotiation which is as complicated as any kind of negotiations that I recall in history. And I think you need this continued discussion and I think the 18-nation forum is something that if it did not exist we would have to invent it.

Mr. MONAGAN. One of the important functions of the Agency, I think, has been focusing attention on the problem that would exist in the defense industry if there were any change or any progress along the road to disarmament. What developments in this field have there been in the Agency since the last time you were here?

Mr. FOSTER. There have been no major developments as such, Mr. Monagan, except that the coordination with other agencies whose actions create conditions like those which might occur in disarmament. The relationships have become much closer and the working relationships in the President's Committee have developed in a way that has been very useful, and of course the contact with regional groups, with state authorities to which I referred earlier, have become of great value in these plans and in working out details toward the end of minimizing any effects of cutbacks, changes, and the employment dislocations which are occurring.

There are, of course, new activities in the bills, the Hart bill which was passed since we met here, and this sets up a mechanism for both public and governmental participation in these studies. We have had a lot to do with that particular activity.

Mr. MONAGAN. Reference has been made previously to an effort to get a treaty by which the nations signing it would agree that there

would be no expansion of nuclear production. Do you feel that the possibility of achieving an agreement of this sort would be hopeful with reference to the majority of countries in the world, and when you got right down to it, how many countries would be stumbling blocks? Wouldn't there be a limited number of footdraggers?

Mr. FOSTER. I can only say in response to that, Mr. Monagan, that with the exception of maybe four or five countries every nation in the world has expressed its interest in doing just this, both formally in pronouncements on a multilateral basis or speech in the United Nations or in actual support of the Irish resolution, for instance, of 1961.

Mr. MONAGAN. Thank you very much.

Chairman MORGAN. Mr. Morse.

Mr. MORSE. Mr. Director, I was astonished when in response to Congresswoman Bolton's earlier question you said, "In our Agency we have nothing to do with the closing of installations."

It seems to me——

Mr. FOSTER. Closing of those installations.

Mr. MORSE. Those installations. It seems to me that section 31(h) of the act, which charges you with the responsibility of exploring economic implications, gives you a very real responsibility for any actions of this sort.

Mr. FOSTER. Well, we are authorized to undertake research, plan for the effects of such. That does not give us as I see it the right to participate in the decision.

Mr. MORSE. Were you consulted in regard to this decision in any respect?

Mr. FOSTER. No; but we are consulted in appraising the effects of this closing and the relationship of that to what may happen in plants closed because of arms control and disarmament activities.

Mr. MORSE. Is the principal responsibility of the Federal Government with reference to the economic impact of not only arms control and disarmament but also of the economic adjustments that are occurring as a result of different emphases in our defense spending vested with your Agency?

Mr. FOSTER. No, sir; we are interested in what——

Mr. MORSE. What element of the Federal Government does have this responsibility?

Mr. FOSTER. Well, the Council of Economic Advisers, the Department of Commerce.

Mr. MORSE. What has the Council of Economic Advisers done about it?

Mr. FOSTER. They are chairing a committee with the Government, including the Treasury, Council of Economic Advisers——

Mr. MORSE. I am fully aware of the Ackley Committee. What has the Committee done?

Mr. FOSTER. It has had meetings with these regional and State authorities. We have sent out our representatives to discuss it with these people. We have placed contracts——

Mr. MORSE. Has the Ackley Committee made a report?

Mr. FOSTER. It has not yet.

Mr. MORSE. It has been in existence over a year, is that not correct?

Mr. FOSTER. That is right.

Mr. MORSE. Has it taken any positive action with which you are familiar?

Mr. FOSTER. Only in the coordination of activities and the support of the things we and the Defense Department have done together or individually.

Mr. MORSE. Was the Committee of Principals to which you referred, I think that is what you called it, the Committee that was set up under Executive Order 11044?

Mr. FOSTER. No. It was set up by President Eisenhower.

Mr. MORSE. You call it the Committee on Principals or the Committee of Principals.

Mr. FOSTER. Of principals.

Mr. MORSE. P-a-l-s?

Mr. FOSTER. Yes.

Mr. MORSE. Do the principals actually sit?

Mr. FOSTER. Yes; they sat for 2 hours last night.

Mr. MORSE. The principals, not their subordinates, not their deputies?

Mr. FOSTER. That is right.

Mr. MORSE. Has this matter of the economic ramifications of adjustments in our defense spending been something with which the Committee of Principals has concerned itself with?

Mr. FOSTER. No.

Mr. MORSE. Section 26 of your act sets up an Advisory Committee. Who is the chairman?

Mr. FOSTER. John J. McCloy.

Mr. MORSE. Has the Advisory Committee concerned itself with this particular area?

Mr. FOSTER. Yes: we report to that Committee and engage in discussions with that Committee on all the ranges of our responsibilities, including those dealing with economic dislocation.

Mr. MORSE. I infer from your testimony that apart from the ad hoc committee which has been set up under Chairman Ackley, there isn't any central point in the executive establishment for the consideration of economic implications of changes in our defense spending.

Mr. FOSTER. There is the Office of Economic Adjustment in the DOD. And, of course, our own Economic Bureau.

Mr. MORSE. I recall that Mr. McNamara—

Mr. FOSTER. There is the President's Committee which includes the heads of the various agencies that are concerned in this, which Committee meets at the deputy level reasonably frequently.

Mr. MORSE. I recall that Mr. McNamara said last fall that the economic effects of any defense closings was not a proper consideration for the Department of Defense.

Mr. GROSS. Well, now—

Mr. MORSE. I recall that that is what he said.

Mr. GROSS. Will the gentleman yield?

Mr. MORSE. I will, indeed.

Mr. GROSS. Here is a study summary of naval requirements for shipyard capacity. I don't want to quote it. When Secretary McNamara announced the various base closures he released a summary of this study. On page 5 of this report the statement is made that the De-

partment of Defense has a continuing study, not just a study, but a continuing study underway concerning the effects of closing shipyards with emphasis on effects of employment and economic factors.

Mr. MORSE. I am familiar with that. I recall the statement by Mr. McNamara last fall in which he said that he "didn't want to operate the Defense Department as a national WPA," or something to that effect, and he said that economic aspects were not a proper consideration.

Assuming for the moment that that report to which I referred is accurate, how do we account for this Office of Economic Adjustment within the Department of Defense?

Mr. FOSTER. I think it is concerned with that problem. It is concerned with that problem.

Mr. MORSE. Thank you, Mr. Chairman.

Chairman MORGAN. The gentleman's time has expired.

Mr. Rosenthal.

Mr. ROSENTHAL. Thank you, Mr. Chairman, for this first opportunity to participate. I might say, Mr. Foster, I concur very wholeheartedly with Mr. O'Hara's comments about yourself and the Agency. My feelings are possibly a little different than some of the others. I was sitting here thinking that in the city of New York we have maybe 25,000 or 26,000 policemen attempting to preserve the peace there and you have 214 less 12 people trying to figure out how this world can reduce arms control and maintain peace.

It seems a little incongruous and inconsistent to me. My feeling is that you are coming in asking for too little money and not enough attention is being spent on this subject. Maybe you are inhibited by the practicalities of the situation, what you think you can get through Congress.

I think you should have come in here asking for 5 times what you are asking because I think the job is 10 times more important than the attention it is getting in the public forum or the public press.

One of the things that I am distressed by, I see in section 49(d) there is a prohibition, with a very interesting word "propaganda," that you are not allowed to tell the American public what you are doing.

How do you feel about an amendment to the legislation under consideration to either rewrite that or soften that or take it out altogether? I think the people have a right to demand of you to know what an agency is doing.

Mr. FOSTER. Thank you very much, Mr. Rosenthal. I think that we are not limited on the dissemination of knowledge, which is another part of the act which puts that responsibility on us. We are not limited in the dissemination of appropriate knowledge and we do attempt to do that.

In the hearing in the Senate Foreign Relations Committee in which this amendment was put into the act, it was made perfectly clear that this should not inhibit us in the appropriate dissemination of information, of the things we are doing and why and how. Accepting the definition of "propaganda" as something that has a slightly—what is the word I am reaching for—unpleasant context, we find that this does not limit our ability within the funds given to us to spread the proper word.

Mr. ROSENTHAL. I find among the general public a resistance to arms control or disarmament or reduction because of economic fear. They have a great deal of fear of losses of jobs, depressions as a result of the things that we have suffered in New York, as a result of Brooklyn and so forth. I don't know if there has been any explanation to the public, enough hope given to the public possibly, because you have an inadequate staff, the President's Committee has an inadequate staff and all these committees that Mr. Morse has referred to have been doing really nothing but meeting. There has never been a concrete recommendation, suggestion or proposal come from any Government agency that has discussed the subject.

The people in the street are frightened because there hasn't been any action by their Government or any explanation to them of what their Government is doing.

Mr. FOSTER. Thank you, sir. We could use more money than we have for certain publications. I don't think the amendment does hold us back and I would like to say one other thing. We have operated in the past and I think will continue to operate as a catalytic agency. It is our job to stimulate, to get other peoples to do things with much larger organizations. The Department of Defense joins in many of our activities, for instance, such as the CLOUD GAP field tests; we draw on them. We don't need to expand our own personnel to run these tests because the Department of Defense works with us on a joint basis.

In the field of economic activities, we of course work with the Department of Commerce, their area development group and others and we do try to nudge and inspire, and perhaps the record to date is not overwhelming in the actions taken, but there is being formed a background of knowledge as to these effects and things that can be done to improve them.

Mr. ROSENTHAL. How many people do you have in your Agency working on what you call economic impact studies?

Mr. FOSTER. Fourteen people. That is both professional and clerical.

Mr. ROSENTHAL. I can give you my feeling. This is depressing, despairing, and disappointing and probably it points up why there haven't been any concrete results by anybody anywhere.

I have no further questions.

Chairman MORGAN. Mr. Fulton.

Mr. FULTON. May I say it is a pleasure to be back on the committee. I missed my friendships—

Chairman MORGAN. Mr. Fulton, we extended greetings to you when the committee went into session and somebody said you were going to be late and that you were coming. We are glad to see you back.

Mr. FULTON. I had to make a speech at a science panel this morning. I am glad to be back on the committee. I had missed the jousting around this green-base oval table. It is good to be back with you committee members and to hear Mr. Foster.

I too believe, coming from an industrial area, that while some of the questions have been projected toward the Agency functioning in the economic area, there are many of us who believe that your programs and your functions in the economic impact field are now going to

assume major importance and therefore should be upgraded on your own Agency's administrative procedures.

I feel that the research that the Agency will do in coming up with facts and making them available to the Department of Defense, as well as these other agencies, is a civilian approach that is badly needed as an effective weight in the decisionmaking process for the Federal Government to keep proper fair direction in this regard.

Could I comment shortly, Mr. Chairman, on my good friend Mr. Morse's question? It may be of some help. I believe Mr. Morse meant, of course, that this Agency should not be making decisions in the Department of Defense. But there is the function on research of facts. If the research of facts is after the fact of closing, it is then no part of the decisionmaking on the closing by the Department of Defense.

Would it be possible to have the function of this Agency, therefore, made so that it could provide materials and facts before the event of closing? The Defense Department would then have in mind these economic impacts and facts on the civilian economy when making the decision in closing.

Mr. FOSTER. Mr. Fulton, I think we are beginning to be able to do that through the findings we are making. The Department of Defense is quite receptive to the comments and things we have found in our investigations in California, Colorado, and Connecticut, in various other centers, and in various industries that we have looked at.

Mr. FULTON. Does the Agency have enough personnel so that it has enough contact with the Department of Defense and its many aspects in production to make sure that there is not a tremendous loss and damage to our U.S. economy and likewise to various regions of the country, and to employment and jobs? Are you able to say that the Agency can give complete enough coverage at the present time with your present personnel?

Mr. FOSTER. We are asking for some additional in this bureau.

Mr. FULTON. Will you submit your expansion program and I will go on to another question.

I find trouble when I am speaking around the country on the words "arms control and disarmament." Those words now have an adverse connotation to many people.

My recommendation is that we make some change of dialectics in this field. I think the term or title has outworn its use and function. I believe, for example, everybody is against dangerous weapons and their misuse. But nobody wants control from abroad in this country.

When we speak of arms and armament it is much above the average person and control terms recall the long history of fruitless negotiations. If we put the terms on a mutual basis, calling it something like the "mutual adjustment of dangerous weapons," why then I believe we would find many more people favoring it. But when we speak of terms such as "arms control" and "disarmament," the people feel Congress or the administration is going to throw away all the guns.

Chairman MORGAN. If you remember the debate on the floor in 1961, we went around and around on the title of this act, Mr. Fulton, and finally came up with an agreement on this title.

Mr. FULTON. I have had some thoughts since.

Chairman MORGAN. The gentleman's time has expired.

Mr. ROYBAL.

Mr. ROYBAL. Thank you, Mr. Chairman.

Mr. Foster, I think that your Agency is one of the most important in Government and as time goes on its importance is going to become greater. I also feel that there is a great lack of information regarding your Agency and that while the general public agrees that it is most important they still do not know enough about the functions of the Agency to consider themselves to be even halfway informed.

I refer to certain criticisms. One has been regarding the two-thirds that you spent for research. In this coming budget you will be spending \$38,200,000. How much of that amount is going directly to the universities; and second, is there some coordination between your Agency and the university itself? In other words, is the university doing the research for you or is it doing it with you?

Mr. FOSTER. We do not ever know how much will go to universities. Many of these requests for proposals go both to universities and to private institutions, and also to nonprofit corporations. Presently I presume there is 15 or 20 percent perhaps that would be outstanding in universities—that is very rough, we will give you the exact figure—and we work very closely with all our contractors through project officers and through repeated briefings in the Agency given by the participants in the contract.

So that during the process of the contract we get the benefit of anything that goes into it. They get the benefit of our requirements. The project officer lives with the contractor. So there is a continuous communications line, link to the contractor, and this goes whether it is the university or private contractor.

Referring to your first question, the lack of information, we are conscious of this. We have a limited staff. My instructions to the staff are that they are to accept every offer for a speech which won't cost my Agency any money. I make a great many on that basis, although we do have to pick up the expense of travel on that number of speeches. But this, plus a very limited number of publications, is the way in which we try to spread the word.

It is not adequate for the big subject though we are, I think, beginning to get the word around, but there is a lot more to do in this connection. I agree with you and Mr. Rosenthal that needs more doing. I think it cannot be done any more within the limits of our present staff. The additional staff would help in this regard to some extent also.

Mr. ROYBAL. Would it be possible for the committee to get the amounts of money that are spent under your table of contents in your summary presentation where you have the seven categories under which research funds are used?

Mr. FOSTER. The five categories?

Mr. ROYBAL. Five or seven.

Mr. FOSTER. We can supply that. There is a table in the back of the book that you might want to look at. It is page 30.

(The information follows:)

*Contract research program—Long-range program plans*

[In millions of dollars]

| Category                                                                                                     | Fiscal<br>year<br>1964<br>(actual) | Fiscal<br>year<br>1965<br>(planned) | Fiscal<br>year<br>1966<br>(re-<br>quested) | Fiscal<br>year<br>1967<br>(pro-<br>jected) | Fiscal<br>year<br>1968<br>(pro-<br>jected) | Fiscal<br>year<br>1969<br>(pro-<br>jected) |
|--------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------|--------------------------------------------|--------------------------------------------|--------------------------------------------|--------------------------------------------|
| I. Measures directed at the control and reduction of armaments and armed forces.....                         | 0.901                              | 0.722                               | 1.02                                       | 1.1                                        | 1.3                                        | 1.3                                        |
| II. Measures calculated to lessen the risk of war.....                                                       | .008                               | .574                                | 1.10                                       | 1.1                                        | 1.2                                        | 1.2                                        |
| III. Inspection and verification.....                                                                        | .976                               | 1.672                               | 2.18                                       | 2.3                                        | 3.0                                        | 3.0                                        |
| IV. Arms control field tests.....                                                                            | 1.005                              | 1.000                               | 1.40                                       | 1.6                                        | 2.6                                        | 2.6                                        |
| V. Economic social international political and other factors related to the achievement of arms control..... | .600                               | .546                                | 1.10                                       | 1.1                                        | 1.1                                        | 1.1                                        |
| VI. The impact of arms control and disarmament measures.....                                                 | .356                               | .510                                | 1.00                                       | 1.0                                        | 1.0                                        | 1.0                                        |
| VII. Supporting activities.....                                                                              | .138                               | .376                                | .40                                        | .4                                         | .5                                         | .5                                         |
| Total.....                                                                                                   | 4.034                              | 5.400                               | 8.20                                       | 8.6                                        | 10.7                                       | 10.7                                       |

Chairman MORGAN. Mr. Culver.

Mr. CULVER. No questions, Mr. Chairman.

Chairman MORGAN. Mr. Hamilton.

Mr. HAMILTON. Thank you, Mr. Chairman.

I notice in your prepared statement, Mr. Foster, you speak several times about the urgency of the problem with regard to proliferation of nuclear experience. Can you give us any idea in terms of time—and you speak also of 40 nations that now possess reactors—what are we faced with in terms of time here in the development of nuclear weapons?

Mr. FOSTER. I would say the most urgent single situation is perhaps that of India, in which there is a good deal of political pressure to go the route of nuclear weapons. The head of their atomic activities is a Dr. Bhaba, who has said that he could develop from the knowledge he has and from the access to materials which he has a nuclear device in a matter of some months. The decision could be made any day. Therefore this is a matter of immediate urgency.

The Indian Government has taken the decision publicly that it will not go the route of nuclear weapons. But there are several parties in their setup who are pressing for them to go that route. Once India does, you can immediately see the pressure on Pakistan, perhaps Japan, on account of the Chinese thing, so this is a question of—I think President Kennedy expressed it best. He said "Once the genie is out of the bottle"—and the genie could be the Indian decision, and this could be a matter of weeks or months until or unless we can do something that reassures India that she will not be alone in denying herself this weapon.

Mr. HAMILTON. What part of your staff is concerned with this area, proliferation of nuclear weapons? How many?

Mr. FOSTER. Whatever time I have left from other things, I spend on it. The Science and Technology Bureau is concerned with it.

Our International Relations Bureau is concerned with it. Our General Counsel is deeply concerned with it. This is a matter of great urgency indeed, and the Committee of Principals has devoted a great deal of time to this.

Mr. HAMILTON. Does your request for increased appropriations tie into this sense of urgency here?

Mr. FOSTER. It does to the extent that I indicated in my earlier comments, I think \$400,000 or \$500,000, which primarily is directed toward the verification which the nonnuclear nations must be subject to because they are the ones that could, unless they adhere to this, could divert material to weapons use which we would not like to happen.

Mr. HAMILTON. That is all, Mr. Chairman.

Chairman MORGAN. Mr. McVicker.

Mr. McVICKER. Thank you, Mr. Chairman.

Mr. Foster, in making a request for a 4-year appropriation basis, what effect would this have on your contracting power? Would this be an asset? Would it make a big difference?

Mr. FOSTER. I think it is an asset, in that industrial companies, many of whom have actually set up divisions and departments in this field and have spent a good deal of their own money to establish these, would be reassured that this kind of an investment on their part has a chance of profitable as well as useful contributions. I think that is also true in some of the nonprofit corporations which have the problems always of what kind of personnel they need and to what ends will it be devoted.

I am sure this will have a helpful result in this direction.

Mr. McVICKER. Along that same line, Mr. Foster, in your dealings with contractors, particularly with universities, do you deal entirely with the individual universities, or do you have any arrangements with combinations of universities; and do you contract money into the "let's look" field rather than into "specific results" kinds of contract?

Mr. FOSTER. By indirection we have done some of the "let's look" field, drawing on university resources. We have had now two very—four very useful summer seminars, where we take advantage of the availability of distinguished professors or academicians and put them together under a supervised or sort of a moderating individual, and give them an area for consideration.

For instance, the Soviet Union in its relationships in the arms control situation. We have one on the Soviet-Chinese relationship. We had one on inspection procedures. In addition to this kind of utilization of a number of university personnel, we have of course dealt with the Institute of Defense Analysis, on the board of which are representatives of 10 universities or technical institutions. And we, in addition to that, are in direct contact with institutes for international relations in various universities—all with universities directly who supervise a particular line of approach.

And one further thing. We ran another summer study at Aspen, Colo., looking into the situation and putting together 20 distinguished specialists from the military, the universities, from industry and government.

Mr. McVICKER. Thank you, Mr. Chairman.

Chairman MORGAN. Mrs. Kelly.

Mrs. KELLY. Thank you, Mr. Chairman.

Due to the lateness of the hour, Mr. Chairman, I will ask some questions and request answers to be submitted. One or two I would like to have answered at this time.

Mr. Foster, delighted to have you here again. I find some of these problems most confusing. If my questions have been asked before, Mr. Chairman, do not hesitate to stop me.

Is there a list of the subcontractors? Have the subcontractors been given to the committee?

Mr. FOSTER. No; we have not.

Mrs. KELLY. I would like the subcontractors' list, Mr. Chairman.

Mr. FOSTER. There are very, very few subcontractors.

Mrs. KELLY. Whoever they are, I would like them. Also, the amounts supplied to them by the Agency, or any agency of our Government.

(The information follows:)

#### U.S. ARMS CONTROL AND DISARMAMENT AGENCY

The Agency has the following contractors who utilize subcontractors in the performance of work.

| Contractor                                 | Amount of contract | Subcontractor(s)                   | Approximate amount of subcontract |
|--------------------------------------------|--------------------|------------------------------------|-----------------------------------|
| Bendix Systems Division, ACDA/ST-6-----    | \$95,000           | University of Michigan-----        | \$18,996.43                       |
| Stanford Research Institute, ACDA/WEC-23-  | 267,688            | University of Pennsylvania-----    | 18,576.00                         |
| Massachusetts Institute of Technology,     |                    | Boston University-----             | 17,285.13                         |
| ACDA/IR-24.                                | 145,000            | Columbia University-----           | 11,366.07                         |
|                                            |                    | Harvard University-----            | 9,220.55                          |
| Midwest Research Institute, ACDA/E-66----- | 84,314             | Matson Navigation Co.-----         | 30,600.00                         |
| Martin-Marietta Corp., ACDA/E-67-----      | 12,587             | Colorado State Employment Service. | 5,013.00                          |

NOTE.—Many of the Agency's contractors do use consultants, of course.

Mrs. KELLY. As a result of S. 777 last year, particularly section 45(b), have many people been taken on or hired under contract who previously had been turned down by other agencies or withdrawn their application as a result of modification in that law?

Mr. FOSTER. No; I think not. We can give you the figures on the security changes that came about through this. We can submit that for the record. But we have not, so far as I know, picked up any that have been turned down.

(The information is as follows:)

#### SECURITY AMENDMENT

Since revision of the act by Public Law 88-186, the Agency has received, without charge from the Civil Service Commission, 43 investigations by agencies other than the Civil Service Commission or the Federal Bureau of Investigation. This procedure has resulted in savings to the Agency of approximately \$16,000.

Mrs. KELLY. Will you check it? What about the Phoenix papers, Mr. Director? Has a question been directed toward those?

Mr. FOSTER. No.

Mrs. KELLY. Were these the result of a subcontractor contract and is that a Government project or was it a project of a contract—

Mr. FOSTER. This, Mrs. Kelly, was a contract which was placed before the Agency came into being. It was placed by the U.S. Disarmament Administration of the State Department, and after we came into being, no further funding was provided from our Agency. The Institute of Defense Analyses felt they wanted to go ahead with this, and did. This, however, had nothing to do with us.

Mrs. KELLY. To follow that up, the Institute for Defense Analyses, which is a private institution, has received more than \$10 million for research and development to date. Do you favor this report? Do you favor recommendations made in that report, especially furnishing the Soviet with this information? Did you approve of it? What did you do as a result of such a study?

Mr. FOSTER. We did not approve of the study. We took no action in connection with it. They made an independent decision to go ahead with it.

Mrs. KELLY. Who did that? The Defense or you?

Mr. FOSTER. The Institute of Defense Analyses.

Mrs. KELLY. But they were hired by the Department of Defense?

Mr. FOSTER. No; it was hired by the Disarmament Administration of the State Department in 1961 before this Agency was established.

Mrs. KELLY. Has any money since 1960 or 1961 gone to this Institute of Defense Analyses?

Mr. FOSTER. Not for this contract, but we have placed other contracts.

Mrs. KELLY. You have placed contracts in light of their past record—

Mr. FOSTER. Their past record is a good record, Mrs. Kelly. It is a very good institution, staffed by a lot of outstanding Americans. The judgment to go ahead with this, to give a scholar the right to write what he wanted to, was their decision. In many of these we will get from scholars things that we do not necessarily accept or support, but in this field it is essential in our opinion to let scholars think about many of these problems and one cannot control all the things they come up with.

One does not have to use them.

Mrs. KELLY. Is there any plan that we may use their recommendation as was suggested in the last study?

Mr. FOSTER. Would you identify for me the particular—

Mrs. KELLY. Volume 1, on the studies of information on the Arms Control and Disarmament Agency.

Due to the lateness of the hour, Mr. Foster, if you want to submit this all it will be all right with me. I would like to have a copy of it sent to me directly.

Chairman MORGAN. There is a position paper—

Mrs. KELLY. Do you have a position paper on it?

Chairman MORGAN. Which we can give to you today before you leave here.

Mrs. KELLY. I have two questions, Mr. Chairman. Did you say that you had a part in the report of the closing of the Brooklyn Navy Yard?

Mr. FOSTER. I did not say so.

Mrs. KELLY. You are acquainted with this paper here, I assume, on the Midwest Research Institute?

Mr. FOSTER. Yes.

Mrs. KELLY. Is this the same firm to your knowledge that wrote the report on private shipbuilding industries? Isn't this the same one?

Mr. FOSTER. I can't answer that.

I will have to find that out. I don't know.

Mr. GROSS. How many other contracts have they had with them?

Mrs. KELLY. With this one here? Private enterprise had a report made by the same report research group.

Mr. GROSS. Will the gentlewoman yield?

Mrs. KELLY. Yes.

Mr. GROSS. How many other contracts have you had with this Midwest Research group in Kansas City?

Mr. FOSTER. We have one other contract on BW-CW, bacterial and chemical warfare.

Mrs. KELLY. Did this institute prepare the reports and studies for private shipyards?

Mr. FOSTER. I will have to find that out, Mrs. Kelly. I don't know. They will work with a ship-operating company and this I answered.

Mrs. KELLY. I would appreciate if you find that out. As I understand, the scope of the Agency is supposed to look into the economic effect of these closings, and, therefore, since this institute, research institute, prepared a report for Government and also prepared a report for the private shipyards, I would like to know if their conclusions could be fair and sound.

Mr. FOSTER. We will find out whether they have carried out both. (The information follows:)

#### SHIPBUILDING INDUSTRY STUDY (ACDA/E-66)

Midwest Research Institute (MRI) was selected by ACDA as a contractor for the shipbuilding study after receiving and evaluating 23 competitive bids. Approximately one-third of the cost of the contract is for a subcontract with the Matson Research Department of the Matson Navigation Co., San Francisco, Calif. The Matson Navigation Co. is primarily a shipping carrier.

The selection of MRI as the successful contractor was predicated upon the quality of personnel, the written proposal, and the contractor's lack of identification with any public or private shipyards. Personnel from Matson Research have had work experience in both private and public yards. For example, one of the Matson researchers was once general superintendent of a private shipbuilding company, and another was repair superintendent of the Philadelphia Naval Shipyard. The Midwest researchers are primarily economic analysts.

MRI and Matson Research have both advised us that they have not performed research for private shipbuilders, and that they have not been involved in the recent DOD installation closings.

The ACDA shipbuilding study is divided into two main parts:

(1) The technical capability of producing a nonmilitary product in a shipyard (mainly performed by Matson); and

(2) The feasibility of producing this product economically and competitively (mainly performed by MRI).

Full advantage will be taken by both Matson and MRI of all available material—especially within the Bureau of Ships, Department of Defense, Labor Department, Maritime Administration, and the private trade associations. These points of coordination and cooperation were established at the inception of the project and are continuing.

Mr. FARBSTEIN. Would the gentlewoman yield?

Mrs. KELLY. Yes.

Mr. FARBSTEIN. I am a little bit confused about the distinction between the responsibility in connection with arms control and disarmament matters which according to the table of organization, or the bill under which you were created, is the primary responsibility of your Agency within the Government, and the 13 different subsidiary subjects that your organization shall be limited to. One of the 13 deals with the problems of readjustment arising in industry and the re-allocation of national resources.

How far do you envision your Agency should go in connection with these various subjects?

Mr. FOSTER. Mr. Farbstein, the authority of the Director with respect to research, development, and other studies shall be limited to participation in the following insofar as they relate to arms control and disarmament. This is purely research, development, and other studies. It is not the primary responsibility of recommending, which is in the early part of the act.

Mr. FARBSTEIN. How many other agencies are there if you know, that concern themselves with the problem of readjustment arising in industry resulting from disarmament? Do you know?

Mr. FOSTER. There are at least 10 that I referred to, all of which are, I referred to, on the President's Committee.

Mr. FARBSTEIN. If that is so, don't you think, therefore, that you should restrict yourself to arms, the primary object of which you were created, rather than spending money in connection with these other preliminary functions?

Mr. FOSTER. We are charged with the possibility of research in those fields in order to plan for what may happen when arms control and disarmament—

Mr. FARBSTEIN. There are 10 other agencies that are doing the very same things you yourself admit. Your primary reason for existence is in connection with arms control and disarmament, then why go into these other subsidiary subjects and use up your money?

Mr. FOSTER. Because of the fact that out of what happens with these other agencies we find what the effects will be in discharging and planning for what will happen in arms control and with arms reduction.

Mr. FARBSTEIN. Let's take the shipyard contracts. How will this shipyard contract for research in any way affect the reason for your existence?

Mr. FOSTER. In attempting to plan for what might happen in the cutback of production of war materials and the diversion of employment in those shipyards to other fields.

Mr. FARBSTEIN. We are going around in a circle again. There are 10 other agencies doing this very same thing.

Mr. FOSTER. Not because of what happens from arms reduction by international agreement.

Mr. GROSS. Will the gentlewoman yield?

Mrs. KELLY. I most certainly will.

Mr. GROSS. I submit this is not limited to war vessels, Mr. Foster. It deals with shipbuilding. That is your contract. It says nothing about war vessels.

Mr. FOSTER. Industrial conversion potential in the shipbuilding industry, and the research which we are limited to is the economic and political consequences of arms control and disarmament, including the problems of readjustment arising in industry and the reallocation of national resources.

I think this is clearly within that stated item.

Mrs. KELLY. Mr. Chairman. Do I understand that you had nothing to do with the Brooklyn Navy Yard closing or a report on that particular closing?

Mr. FOSTER. Nothing to do with the closing of the Brooklyn Navy Yard.

Mrs. KELLY. All the shipbuilding and Navy yard closings that took place under this directive of the Department of Defense, what part did you play in that if any and why not?

Mr. FOSTER. We played no part in the origin of the closing.

Mrs. KELLY. Not the origin, but the impact of the results of a possible closing before determination made?

Mr. FOSTER. We are appraising the results.

Mrs. KELLY. You have no report at this point?

Mr. FOSTER. No report at this point.

Mrs. KELLY. We had a report in New York by the Department of Defense—which the New York delegation in Congress is now questioning?

Mr. FARBERSTEIN. Mr. Foster, don't you realize the inconsistency of your position? First, you say that you are concerned according to these subsidiary duties or obligations to deal with the closing of any business or any industry that is affected by war products. The Brooklyn Navy Yard was building war vessels. Therefore, you should have been concerned with the Brooklyn Navy Yard, and you say you have no concern.

Chairman MORGAN. The time of the gentlewoman from New York has expired.

Mr. FRELINGHUYSEN. I would like to get back to the 4-year authorization. When the President sent over the draft bill to Congress he said he was asking for a 4-year authorization. This is his quote: "It is my purpose to intensify our efforts in this critical area."

Why is a 4-year authorization necessary to intensify your efforts? I can understand how you might be able to spend more money. I can understand how you might need to retain key personnel in as comparatively small an operation as this represents on the Washington scene.

But why is there going to be an intensification of your efforts because you have a 4-year program which you can't have under any circumstances? Is it not true that you could have an intensification under a 2-year authorization?

Mr. FOSTER. You could have an intensification under a 2-year. I think the point is that this is a business in which he has a deep interest. He wants and has instructed us to study this as intensively as it is possible to do and to make recommendations to him for additional ways in which this can move.

I think that can be supported and broadened by the ability to get better people, who have the knowledge that this is a continuing activity which has Presidential support to this degree.

No; in answering your question specifically, it is possible to intensify it for a year and then drop it. This is not what he wants to do. I think he wants to make it perfectly clear that this would be a major objective of his and it has been under three previous Presidents.

Mr. FRELINGHUYSEN. In your own justification for this program, you claim that a 4-year program would be more conducive to long-range research planning.

What advantage is long-range planning in this area? Why can't you do this under a 2-year authorization?

Mr. FOSTER. I think it has great merit. As we look to new weapons and the opportunities which will come about by reduction of some of these things, I think this is very necessary to long-range planning and I think many of these can't possibly be studied effectively in the period of 1 year.

I think laying out a program, and that is the basis of these numbers which we have put down, we think of various things we can do as time goes on. As I said earlier, we had asked for much more money—

Mr. FRELINGHUYSEN. You have not projected very fully for the committee how you plan to spend this money. As I read the table in the back of the book, there is going to be a very modest increase in what you describe as our most urgent problem, the question of whether we can control the spread of nuclear weapons.

An increase of about \$300,000 is projected for next year, but there was a reduction this year in that area of almost \$200,000.

If the urgency of the problem now requires the spending of more money, why did you spend less this year? Or doesn't the spending of more money have anything to do with the urgency of the problem? By far the biggest spending increases seem to be inspection, verification, and field tests.

Is that because it is expensive to develop instruments enabling you to detect? We have no breakdown of what is involved here, either from the point of view of how the money is going to be spent or why there is to be such a rapid expansion.

As I understand it, you propose an expansion of about 65 percent over what you actually had available this year. Just over 10 percent is to be made available for the most crucial area of all—how we can prevent the spread of nuclear weapons.

Mr. FOSTER. The urgency does not necessarily—is not necessarily reflected quantitatively. If you have a most urgent problem it may be a modest requirement moneywise. The verification area is the one thing that prevents the major kind of cutback that we are interested in, a nuclear freeze.

If we could find ways to verify and inspect this without a major amount of intrusion into the Soviet territory, this would indeed be the greatest way to cut back the nuclear arms race. We spend a great deal of money on this particular kind of thing.

If we could achieve this, this would be the greatest thing that has ever happened in the way of arms reduction. The verification methods can be complicated, can be simple. We have simplified through our research what we had originally asked.

I will point to another area in which this has proved out very greatly, namely, the verification of nuclear testing. We have been spending—

not through this Agency but through the VELA program in DOD—at the rate of \$60 to \$70 million a year just testing that one area of monitoring nuclear tests, in space, in the atmosphere, underground, and under the ocean. Because of that we are able to accept a limited nuclear test ban treaty without outside ramifications with assurance that we know what is going on. That kind of thing is very costly, much more costly than a look at proliferation which is a question of how do you develop safeguards.

Mr. FRELINGHUYSEN. What you are saying now is important. It has not been said so far.

You said in your statement on page 2 that "Agency research, back-stopping, and negotiating efforts contributed to the limited nuclear test ban treaty." However, I would suppose that what your Agency did in the form of research was of no particular significance?

Mr. FOSTER. That is not so, sir.

Mr. FRELINGHUYSEN. I am asking the question to get a response, not because I know. I would assume that it was the research of the Department of Defense that was crucial, that allowed us to enter into such a treaty, and take the gamble that we would be able to detect a violation, technical or otherwise, such as may have occurred on the 15th of January.

I am not saying this in any derogatory sense. I am trying to find out to what extent research in your own Agency has been helpful and why you feel such a considerable stepping up is essential.

Mr. FOSTER. The objectives of the Department of Defense are at variance with the objectives of this Agency in one way, in that they are concerned with building up if potential adversaries build up. We are concerned with how safely you can reduce and cut down the arms of ourselves and potential adversaries by agreement.

The VELA program is a very fine program. It has made great contributions to this. But until we came and pointed out how some of their findings could be used in this way there was no action in this field.

In 1962, based on these contributions which we have made in our Science and Technology Bureau, and a great deal of time that Mr. Fisher has spent in this, a great deal of time I have spent in this, we were able to tackle a limited nuclear test ban treaty on August 6, which was what the Soviets after a year of talks accepted in July of 1963. In the best of all possible worlds, and could we get the money, we would get further if we could run the VELA program. We can't.

We haven't the personnel. We haven't the money. We can't come up with these things. We come up and bleed and die for \$9 million. We came up with \$15 million and this committee reported out \$15 million. On the floor it was cut to \$10 million, and the appropriation we got was \$7½ million.

As a result many of the things that we could have done sooner that contributed to these things had to be put off. We have recognized the practicalities of life. We have set forth a research program which has many of these items and we put in just what we believe on balance can be put in each year. Two-thirds is toward verification and inspection, which is the greatest stumbling block to the achievement of meaningful arms reduction.

I think these are not just pulled out of a hat. What is left here has been cut down through the action of a research council, which includes all of the proponents for various parts of research, and we could have a research program here which would be twice this much and it would be a good program, in my opinion.

But these are cut back in various places. And I might say in response to the question on economics, we have increased the economic studies substantially over what they have been in past years. But the reason for the 4-year long-range program is we can't get all the answers in 1 year, due both to the need of making breakthroughs and follow-ons and findings and also due to the limitations of financial availabilities.

Mr. FRELINGHUYSEN. Thank you very much.

Chairman MORGAN. Any further questions?

Mr. GROSS. Yes, Mr. Chairman.

Chairman MORGAN. Mr. Gross.

Mr. GROSS. Thank you, Mr. Chairman.

I would like to know what your accomplishments have been since the last time you were here? I haven't heard you state in specific terms your actual accomplishments.

Mr. FOSTER. We have no agreements since the last time that we were here that have been negotiated. We have put forward and developed a number of ways in which we believe the objectives of the bill can be carried out better.

The President's program, the five points that were put forward in January, the most significant proposals for arms reduction that have ever been made by any nation, were developed through this research program and through the activities of this Agency.

They have not been accepted by the Soviet Union. They have not been accepted because, for example, the proposal of stopping the production of nuclear delivery vehicles and limiting the development of the characteristics of them is novel and requires inspection.

If we did not have this program, we could build 400 or 500 additional nuclear delivery vehicles in the course of the next 2 years which may cost in the order of \$10 or \$15 billion. If we do get an acceptance of this phrase, there would be at least the possibility of this sort of saving.

We are talking of one-tenth of 1 percent of an investment in here which could conceivably result in a savings of these billions of dollars. This has been put forward at Geneva. It has been discussed in detail. We have had much give-and-take between ourselves and the other side on this. We did get in April a simultaneous announcement of the cutback of the production of fissionable materials for weapons purposes on the part of the United States, the United Kingdom, and the Soviet Union—the planned production.

We did get the education further of participants in Geneva in this field. We did put forward three other possibilities, the comprehensive test ban and we did make a great deal of additional progress in what might develop in the future—

Mr. GROSS. When you say "we" are you taking all the credit for what you claim—

Mr. FOSTER. I am telling you what the Agency has done. We don't take full credit for any of this.

Mr. GROSS. In your statement on page 2, under "What We Have Done," you list "negotiating efforts contributed to the limited nuclear test ban treaty, the 'hot line' between Washington and Moscow, and the U.N. resolution against orbiting of nuclear weapons."

These were exactly the same attainments that you claimed when you were here before. And going beyond that, I don't find very much—

Mr. FOSTER. I have been telling you the additional things since we have been here before. We have done this in the past and our efforts did contribute. And we do take the lead, as the act specifies.

Mr. GROSS. On page 3 there is one sentence that intrigues me: "Ways in which the Soviets might violate an agreement were explored."

Is there any limit to the number of ways the Communists can break agreements in the light of past history and performance?

Mr. FOSTER. That isn't the point. We want to find out ways in which they might attempt to do it without detection and the ways in which we could find that was taking place to protect the security of the United States.

Mr. GROSS. Mr. Foster, I join with Mr. Monagan in saying that I will never vote for a 4-year program for you. I don't think 4-year programs are good for the taxpayers of this country, or any agency of Government. I think you ought to come back and justify your program every year, and at the outside, every 2 years.

I understand the \$55 million is probably your asking price, and we can certainly settle on something less.

Chairman MORGAN. Any further questions?

Mr. McDowell.

Mr. McDOWELL. I think you might have added one intangible accomplishment of your Agency which is probably not easy to go down and report, and that is the fact that your Agency exists. I think it is proof in the world of public opinion that we mean, our Government and our people mean what they say when we want to achieve peace through disarmament.

We don't say it. We do try to do something about it.

Mr. FOSTER. May I add one thing?

Chairman MORGAN. Certainly, Mr. Foster.

Mr. FOSTER. Thank you very much. I would like to say that the establishment of the Agency has enabled these 192 people, 204 in the next week or the week after, people to come in and on a continuous basis devote themselves to this. And supporting your point, it now happens that in Great Britain they have established a Commissioner of Arms Control and Disarmament. The Soviet Union has added a number of people to their staff in this field. The Germans have established this sort of thing in the German Government.

And almost every government that comes in contact with the facts of life in this field sees the benefit of this, and we do it a helluva lot better.

Chairman MORGAN. Any further questions?

Mr. GROSS. Thank you, Mr. Chairman.

Under this title of "Arms Control," do you have anything to do or say about Ben Bella and Nasser shipping arms into the Congo? Under whose jurisdiction might that be?

Mr. FOSTER. That is under the jurisdiction of the State Department and we are as concerned with that as you are in terms of our approach to it. We are participants in the discussions of this because of the responsibility we have, but we do not take the lead in trying to influence Mr. Ben Bella.

Mr. GROSS. Are you involved in this in any way?

Mr. FOSTER. In the policy discussions.

Mr. GROSS. Only with the discussions?

Mr. FOSTER. Yes.

Mr. GROSS. How much have you spent on MLF?

Mr. FOSTER. Have we spent on it?

Mr. GROSS. Yes.

Mr. FOSTER. As an agency?

Mr. GROSS. Yes. You have been involved in it, I believed. Your statement today indicated—

Mr. FOSTER. We have placed no contract on it, Mr. GROSS. Some of the time of the members of the Agency are spent on it. It would be impossible to estimate.

Mr. GROSS. Would you break out for us, for the record of this committee, the travel expenses of your Agency?

Mr. FOSTER. You already have it, sir.

Mr. GROSS. Do we have it?

Mr. FOSTER. Yes.

(The information follows:)

#### U.S. ARMS CONTROL AND DISARMAMENT AGENCY

##### *Travel costs, fiscal year 1965, July-December*

|                                                                   |             |
|-------------------------------------------------------------------|-------------|
| Contract administration (project officers, audit, security) ----- | \$14,813.66 |
| Field test monitoring -----                                       | 10,193.61   |
| International meetings and conferences -----                      | 14,323.25   |
| General Advisory Committee and consultants -----                  | 8,800.87    |
| Public appearances and speeches -----                             | 1,265.77    |
| Professional and technical meetings -----                         | 11,247.38   |
| Total -----                                                       | 60,644.54   |

Mr. GROSS. Not the percentage of administrative costs. I am talking about how many dollars you spent on travel.

Mr. FOSTER. Yes, sir; you have it.

Mr. GROSS. Entertainment and all that sort of thing?

Chairman MORGAN. Thank you, Mr. Foster.

The committee stands adjourned until 10 o'clock tomorrow morning. The committee will meet in executive session.

(Whereupon, at 12:45 p.m., the committee adjourned, to reconvene at 10 a.m., Wednesday, January 27, 1965.)

## TO AMEND FURTHER THE ARMS CONTROL AND DISARMAMENT ACT

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WEDNESDAY, JANUARY 27, 1965

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON FOREIGN AFFAIRS,  
*Washington, D.C.*

The committee met, pursuant to adjournment, at 10:20 a.m., in room H-322, the Capitol, Hon. Thomas E. Morgan (chairman) presiding.

Chairman MORGAN. The committee will come to order.

The committee meets this morning in executive session for the continuation of the hearings on H.R. 2998, the Arms Control and Disarmament Agency bill. Our witness this morning is the Honorable William C. Foster, the Director of the Arms Control Agency.

I want to make a few remarks for the benefit of the new members. This is an executive session. Mr. Foster has some very highly classified testimony today that involves security. What you hear in this room today is for your ears alone. Mr. Foster has asked me if some of this could be completely off the record. He wants to speak very frankly.

I have given him permission to notify the stenographer whenever he wishes that part of the testimony to be off the record and it will not be recorded.

You may proceed, Mr. Director.

### STATEMENT OF HON. WILLIAM C. FOSTER, DIRECTOR, ARMS CONTROL AND DISARMAMENT AGENCY

Mr. FOSTER. Thank you, Mr. Chairman. I think perhaps I would start with some further discussion of the nuclear explosion of the Soviet Union. I would ask therefore, Mr. Chairman, that if I may I would like this part of it to go off the record since it does contain some highly classified information.

Mr. MONAGAN. Could we ask Mr. Foster to speak a little louder?

Mr. FOSTER. I would like to go off the record on this part of it since it contains some highly classified information.

(Discussion off the record.)

Mrs. BOLTON. The matter of the closing of 95 military bases by the Department of Defense, and 80 of those are in the United States, what can you tell us about the influence upon the strength of the United States? We know perfectly well that Russia and the other Communist nations know only one language, and that is the language of force and power. How much does this influence our situation in the world?

Mr. FOSTER. Mrs. Bolton, as I said yesterday, I am not in a position to appraise firsthand the effect of such a closing. On this I depend with full confidence on the analysis made and presented by the Secretary of Defense. He has stated—

Mrs. BOLTON. Who makes that analysis—Secretary McNamara?

Mr. FOSTER. Yes.

Mrs. BOLTON. Who does it for him? He doesn't do it.

Mr. FOSTER. He has testified to this, I think, in public hearings on the Hill, that this in actuality will lead to a more efficient Defense Establishment and, rather than weakening, actually will make it possible to have greater strength in the things that are essential to our security.

I think he has said this not only on the Hill, I think he—I think the President has underwritten that statement.

Mrs. BOLTON. Would you talk a little louder?

Mr. FOSTER. Excuse me. I think the President has underwritten that statement by the Secretary of Defense by stating his own confidence that these facts are true. I can say out of my past experience that there certainly have been at various times in the history of the Department of Defense bases in this country and elsewhere which perhaps in the interest of efficiency and economy could be closed. This has been a difficult political situation for obvious reasons. I think that the Secretary has recognized, has attempted to recognize, both sides of this thing, and has done what in his judgment would best contribute to the carrying out of his responsibilities as Secretary of Defense.

Mrs. BOLTON. What of the screens that we had put around ourselves toward the north as to intercepting possibilities?

Mr. FOSTER. The distant early warning line and many of the defensive warning systems of course were designed primarily against aircraft, rather than against the rapid and much more difficult to intercept or to prophesy intercontinental missiles. I think a number of these installations have, in effect, become obsolete.

Mrs. BOLTON. Are we doing anything about the intercontinental missiles?

Mr. FOSTER. We are certainly doing everything we can for the shortest warning times. The question of adequate anti-ballistic-missile system is one that has not been solved. Yet there is a good deal of experimenting going on. There is a real question as to whether this is the best way to protect the United States. There is a feeling on the part of many strategists that the best protection is a strong offense, an offense that can be developed and one which can actually flood any defense that has been so far developed, and much more cheaply.

Mrs. BOLTON. Do we have any kind of protection against the Antarctic?

Mr. FOSTER. We have some warning systems. We have some screens that take account of the missile traffic. We have, of course, the normal radar protective and warning systems, but again this is the least likely area through which a massive attack would be mounted.

Incidentally, in speaking of the Antarctic, we have, as I said yesterday, made an on-site inspection of all the installations in the Antarctic and have found no evidence of military activities in the Antarctic.

Mrs. BOLTON. Not on the ground. What about air? What are the Communists doing in the air?

Mr. FOSTER. We have a very excellent tabulating system for the things that are in the air.

Mrs. BOLTON. I would hope so.

Mr. FOSTER. This is one of the things—this is one of the reasons we are able to recommend and get approved a stated intent underwritten by a United Nations resolution not to place in orbit around the planet weapons of mass destruction because we can count and see.

Mrs. BOLTON. Do you have anything to do with the consideration of what the closing of all these bases and so forth and so on does to the communities? And if so, what measures are being taken to help the unemployment so created in the dead of winter?

Mr. FOSTER. As I stated yesterday, we have an interest primarily because this creates an example of what happens and, therefore, in discharging our responsibility, which is to plan for the effects of arms control and reduction agreements on production and employment. We can use these, in effect, as field tests from which we would draw conclusions as to our own recommendations.

Therefore our interest is in analyzing what happens in these situations.

Mrs. BOLTON. That means a lot of paperwork.

Mr. FOSTER. More than paperwork.

Mrs. BOLTON. What do you do when there are human beings involved?

Mr. FOSTER. We do not have the responsibility in that sense. There are other agencies who do.

Mrs. BOLTON. Who does?

Mr. FOSTER. The Area Redevelopment, the Department of Labor. That is first in the Department of Commerce. The Defense Department, which activates the closings.

Mrs. BOLTON. All the publicity that I have been able to read in this matter impresses me with such a coldness and not caring that I feel as an American I resent it, because America cares about her people. The Defense Department doesn't seem to.

Chairman MORGAN. Mrs. Bolton, will you yield to me?

Mrs. BOLTON. Of course.

Chairman MORGAN. One of the great airbases of the country was closed in Pennsylvania. As the dean of the Pennsylvania delegation I am vitally interested, and all 27 of us, both Republicans and Democrats, are working as best we can. We realize, of course, that the Secretary of Defense has us over a barrel. But I consider that we got cooperation in obtaining information and sitting down with the Defense Department people.

There wasn't any coldness toward us. They sent the Deputy Assistant Secretary of Defense, Stephen Shulman, up here, who is responsible for the rehabilitation part of the program, and we received assurance that most of these employees, if they want to move to other installations, are going to be taken care of.

I don't think there will be coldness in shoving these people out. I realize there is great hardship when people own their own homes around the bases. I think there is cooperation from the Department of Defense, as Mr. Foster said—

Mrs. BOLTON. But they don't get it across. Certainly the country doesn't feel that.

Mr. FOSTER. Mrs. Bolton, I have a statement here on our responsibility which I would like to submit for the record, if I may, at this point, Mr. Chairman. I will read it if you like.

Mr. FARBERSTEIN. Would you mind reading it?

Mr. FOSTER. Not at all. This is a "Statement on ACDA Responsibility for Research on the Economic Impact of Arms Control and Disarmament."

The Arms Control and Disarmament Agency has no connection with or responsibility for the decisions leading up to Secretary McNamara's announcements concerning the closing of military bases. However, under section 31(h) of the Arms Control and Disarmament Act, the Agency does have responsibility for research on "the economic and political consequences of arms control and disarmament, including the problems of readjustment arising in industry and the reallocation of national resources."

From the beginning of the Agency's research concerning the economic consequences of arms control and disarmament, major attention has been devoted to the industries which have the highest proportion of defense business. Among these is the shipbuilding industry.

Proposals for a study of this industry were requested by the Agency on August 7, 1964. The study is to cover the conversion potential of the defense sector of this industry, including both private and public yards. The estimated completion date of the study is December 1965.

The Agency has prepared plans for a study of the actual consequences of the closing of a relevant portion or a representative sample of the 95 defense installations announced by Secretary McNamara on November 19, 1964.

Mrs. KELLY. Will you reread that last sentence?

Mr. FOSTER. The Agency has prepared plans for a study of the actual consequences of the closing of a relevant portion or a representative sample of the 95 defense installations announced by Secretary McNamara on November 19, 1964. This study would examine particularly the experience of employees with respect to subsequent employment, the use to which the physical facilities were put, and the effect on the community or area in which the installation was located. Plans for this study are now being checked out with the Department of Defense and other interested agencies.

These closings are not based on any arms control agreement. However, the closing of any defense installations for reason of efficiency permits case studies of the economic impact which might flow from an arms control agreement. Moreover, such studies can be used in the future by both Government and private industry whether or not the changes in defense spending which are then of concern result from arms control measures.

Chairman MORGAN. The gentlewoman's time has expired.

Mrs. Kelly.

Mrs. KELLY. Thank you, Mr. Chairman.

I want to make two statements at this time. I don't understand what good the Agency can do in having a study now after the determination is made to close the yards. Why not have a survey into a closing prior to the order to close?

Then I want to comment on Mrs. Bolton's remark that the Department of Defense is coldblooded. There is nothing in my vocabulary

that I can think of to make it more than coldblooded. For one thing, the people in the New York area—and I am glad that few people are in my district—who will be shifted have been offered positions remote from New York. They have bought homes in and around New York. Their children are in school and they just can't take the first position offered to them.

The New York delegation is working just as hard with the Defense Department as the Pennsylvania. I don't take second place to any. We are trying to procure positions in the post office with overtime. They are going to cut back on all these.

I feel your Agency should be brought into the act prior to, rather than after.

I want to question, Mr. Chairman.

(Discussion off the record.)

Mrs. KELLY. Is there a regulation in the treaty that you inform the U.S.S.R. that the United States is going to make an atomic test?

Mr. FOSTER. No.

Mrs. KELLY. In other words, we just do the underground testing and the U.S.S.R. does the same?

Mr. FOSTER. We have stated that we will continue an active underground testing program.

Mrs. KELLY. Do we not announce in our papers that we are going to make a test and it is known all over the world?

Mr. FOSTER. Sometimes we do. We have had a number of peaceful atomic development tests, Plowshare tests, and we do sometimes do that, particularly when we are in a new area such as the one that was run in a salt mine. We don't announce all of them ahead of time. We announce them all afterward.

Mrs. KELLY. Wouldn't it be good to have it put in the treaty and start negotiations to announce when tests are to be made by either U.S.S.R. or the United States?

Mr. FOSTER. It is a very difficult amendment at the moment to get and I don't think we want to do it ourselves.

Mrs. KELLY. We announce it to the world, but they don't.

Mr. FOSTER. Afterward.

(Discussion off the record.)

Chairman MORGAN. Mr. Adair.

Mr. ADAIR. Mr. Chairman.

(Discussion off the record.)

Chairman MORGAN. Mr. Selden.

Mr. SELDEN. Thank you, Mr. Chairman.

Mr. FOSTER, does the test ban treaty in its present form prevent the United States constructing with nuclear explosions a sea-level canal in the Central American area?

Mr. FOSTER. It would under present circumstances, since if we were to use nuclear devices for the dredging of the canal there would be a radioactive fallout beyond the limits of the nation in which these explosions would take place.

Dr. Seaborg has said that the test ban treaty at this moment does not prevent progress in this field because underground tests can continue to develop a cleaner weapon. He has said perhaps that it would slow them down a little bit because they could otherwise run bigger tests with less fear of venting.

He has estimated that it would be at least 5 years before the technology would be available to do this sort of a job.

Mr. SELDEN. In other words, you feel that in a period of 5 years technology will be advanced to a point where this can be done without violating the treaty?

Mr. FOSTER. I wouldn't go that far. I think probably it would also require some modification of the treaty.

Mr. SELDEN. In modifying the treaty, would you have to get the consent of all the signers or just the consent of the Soviet Union, the United Kingdom, and the United States?

Mr. FOSTER. You have to have the consent of the three original parties to the treaty; that is the U.S.S.R., the United Kingdom, and ourselves, and a majority of all parties.

Mr. SELDEN. Are we making any effort toward negotiating some sort of a revision in the event that technological advances do not reach the point that a canal can be dug without violating the present test ban treaty?

Mr. FOSTER. No direct attempt to amend it in this direction. You will recall, however, during the negotiation of the treaty there was expressed on the part of the top Soviet officials an interest in this same sort of thing. If I may go off the record for one moment.

(Discussion off the record.)

Chairman MORGAN. Mr. Frelinghuysen.

Mr. FRELINGHUYSEN. Mr. Chairman, I would like to ask Mr. Foster about his emphasis yesterday on the urgency of doing something about the nonproliferation problem. He pointed out that some kind of an agreement is needed in order to reduce the possibility that there will be a proliferation of nuclear weapons. It isn't clear to me whether you anticipate in the absence of such an agreement, which presumably would be with those who now have weapons, that there will be a transfer to countries which do not now have either the know-how to develop a weapon or the capacity to develop a delivery system.

I would suppose that the danger doesn't really rest in the possibility that there will be a transfer either of the weapon or the delivery system so much as the fact that on their own other countries may develop this know-how. An agreement with the Soviet Union with respect to the nontransfer either of weapons or delivery systems would not really reduce the danger of proliferation, which you say is your most urgent concern, would it?

Mr. FOSTER. You are quite correct. The real danger is not the Soviet Union. We really think that she does not want to disseminate her information or her weapons to, let's say, someone less experienced. And the danger lies with countries like India, Japan, Pakistan—

Mr. FRELINGHUYSEN. China, I think, might be even more an obvious example of possible trouble.

Mr. FOSTER. I think China also probably has no desire to transfer what she has so little of at the moment. We would think that all the nuclear powers have an interest in having no more nuclear powers, or even less. As you know, the United Kingdom in its proposals for an allied nuclear force has offered to give up its nuclear capabilities. No, the real problem is what you do to get the nonnuclears not to receive or not to develop their own.

However, the agreement would have not nearly so much force unless the nuclear powers or at least most of them were to join in

the commitment not to transfer what they have in the way of information and resources to other nations.

Mr. FRELINGHUYSEN. Is the theory that this would have a psychological effect on the nonnuclear powers not to develop their own potential?

Mr. FOSTER. It is more than psychological, I think. I think actually it might be possible if they only were to accept this kind of a prohibition of transfer, they might develop a competition with the others. The real danger as you have pointed out is the nonnuclear. But naturally all join in this.

Mr. FRELINGHUYSEN. Yet one of the justifications, as I understand it, for the MLF is that we would like to satisfy what might be an appetite on the part of Germany to develop her own capacity if we don't develop some kind of a shared responsibility. We are not advocating a transfer of weapons or a delivery system, which is maybe what the Soviet Union sees in this. Isn't this part of the problem, that you are going to create a nationalist feeling and a desire to go it alone if you don't develop some method of sharing responsibility, if not transferring the actual weapons?

Mr. FOSTER. Yes. Of course there would be no German access to weapons. There would be participation in the financing, the policy—

Mr. FRELINGHUYSEN. So it should be. I don't think anybody is suggesting that we should give them a free hand. It seems to be even this limited role that Europe is resisting.

Mr. FOSTER. That is correct.

There is one other advantage of this multilateral thing, namely you might reduce the nuclear powers by one, the United Kingdom.

No, you are quite right. There has been a suggestion that three or four nuclear powers should first join in an agreement not to transfer and then the other nations might follow with their kind of an agreement. Maybe this will come.

We do not think, however, this is nearly as binding and useful as a universal agreement which would include all the nuclear powers that we could get, hopefully the Chinese.

Mr. FARSTEIN. Would the gentleman yield?

Mr. FRELINGHUYSEN. Yes. It is out of my time, but I will be glad to yield.

Mr. FARSTEIN. I will give it to you out of my time. It is a subject I questioned Mr. Foster about yesterday. Isn't Germany under a disability insofar as doing anything in connection with nuclear weapons?

Mr. FOSTER. She has signed a treaty in which she has stated she will not produce nuclear weapons.

Mr. FARSTEIN. Under those circumstances, why should we be so disturbed that she would, even though she might have a desire, because every country in the world might have a desire.

Mr. FOSTER. We are not disturbed. We claim she has lived up to her treaty. The ones who are perturbed are the Soviet Union.

Mr. FARSTEIN. I only mention this in connection with the MLF. Why should we be so very much disturbed about Germany building a nuclear force is something I can't understand.

Thank you very much, Mr. Frelinghuysen.

Chairman MORGAN. The gentleman's time has expired.

Mr. O'Hara.

Mr. O'HARA. Thank you, Mr. Chairman.

Mr. Director, it is my recollection that this committee was told that it would take at least 10 years for Red China to develop nuclear weaponry delivery. Since then I have read, and recently—I don't know upon what authority the statements were made—that it is now thought that within 5 years Red China might develop that capability.

What is your thought on that?

(Discussion off the record.)

Mr. O'HARA. Thank you, Mr. Director. I am not asking any more questions because I do hope that some of our new members way at the bottom of the totem pole get in.

Chairman MORGAN. Mr. Derwinski.

Mr. DERWINSKI. Mr. Director, in your prepared remarks yesterday you referred to an all-out campaign that is necessary to halt the spread of the nuclear threat. Would you describe your Agency at the moment as being the most aggressive in providing leadership to this campaign?

Mr. FOSTER. I think I would.

Mr. DERWINSKI. Would you say that in contrast that the corresponding Soviet officials charged with the type of responsibility that you have are showing equal interest and aggressiveness or is their interest motivated by propaganda designs as well as any complete desire for cooperation.

Mr. FOSTER. I think that they are using a good deal of it for propaganda. I think their words are very aggressive as to their deep desire as to have nonproliferation and with their talks with the nonaligned at Geneva and elsewhere. I do not think they have the same deep desire to go ahead with this as do we, even though their interest is, in my opinion, kindred in this field.

Mr. DERWINSKI. You feel that your Agency is legitimate and therefore our Government is legitimate in its desire to carry out an allout campaign as compared to their less legitimate interest and that this is understood by the various nations and groups you have been working with?

Mr. FOSTER. I think it is probably understood at Geneva, Mr. Derwinski. I am sure it is not understood in the minds of many of the less developed, more unsophisticated nations.

Mr. DERWINSKI. Then would it be fair to say as part of your all-out campaign you would have to embark on an effective public relations and education program aimed at the governments of the less sophisticated nations?

Mr. FOSTER. We do through our embassies a good deal of work at the Government level in this regard. We do at the United Nations a great deal of work with the officials. I would suspect in the case of many of these countries that is more effective than a public relations campaign, which goes to a somewhat unresponsive, less knowledgeable group of people.

Mr. DERWINSKI. One last question. You feel the State Department is cooperating as fully as they should in helping to dramatize and convey your legitimate sincerity in this program as opposed to the Soviet Union's inclination for propaganda performances?

Mr. FOSTER. I am never satisfied. But, we do get fine cooperation.

Mr. DERWINSKI. Is it the best, or do you feel there is improvement that could be developed—for example in coordination?

Mr. FOSTER. There is always room for improvement. I think within the pressures of the many other things which they have they are doing a very good job.

Mr. DERWINSKI. Thank you, Mr. Chairman.

Chairman MORGAN. Mr. Farbstein.

Mr. FARBSTEIN. Mr. Foster—Mr. Frelinghuysen, all the time you want.

Mr. FRELINGHUYSEN. Thank you, Mr. Farbstein. I want to ask the chairman one question, if I may, for clarification in my own mind of just what an executive session means. Do I understand that anything that is said normally in an executive session should not be relayed outside of this committee?

Chairman MORGAN. That is correct.

Mr. FRELINGHUYSEN. We have had, I might say for the new members' benefit, a number of very significant leaks from this committee when there has been an executive session. My point is, my question is, that we should not discuss just what has been said earlier that was not being taken down. Anything that is said in executive session should not be discussed with the press and so on; is that correct?

Chairman MORGAN. That is correct. This transcript will be a committee transcript. Of course, it will be submitted to the Agency for screening and anything we can use in the hearings we have permission to use. This is our transcript. It belongs to the committee and it doesn't leave the committee room after it comes back up from the reporter.

Mr. FRELINGHUYSEN. The individual members of the committee do not have the right to decide that some of this can be used by them—

Chairman MORGAN. That is correct, without clearing with the chairman.

Mr. FRELINGHUYSEN. Thank you.

Thank you, Mr. Farbstein.

Mr. DERWINSKI. May I ask one related question for clarification? This committee transcript is not available to noncommittee members?

Chairman MORGAN. No, sir.

Mr. Farbstein.

Mr. FARBSTEIN. I would like to clarify for my own mind, and I think for the record, the function of your organization, because questions have been asked dealing with the Brooklyn Navy Yard, with certain airplane factories, and so on. Your organization is solely concerned with the effect of the closing of various military installations on the body politic; isn't that so?

Mr. FOSTER. Yes, sir; in order to prepare plans for the situation that might arise out of arms reduction and disarmament activities which occur later.

Mr. FARBSTEIN. In other words, your organization has no function or authority to go into the closing of them?

Mr. FOSTER. That is correct.

Mr. FARBSTEIN. You are only concerned about the effect. So any questions asked of you dealing with the closings would be irrelevant; is that correct? Or am I wrong? Or shall the statement be that you are supposed to anticipate the effect of the closing of a particular installation and make your study before the closing so as to know what will happen thereafter?

I would like to get that clarified in my mind.

Mr. FOSTER. A question as to our authority or responsibility for the closings which grow out of a change in program by the Defense Department are not our responsibility in any sense. We use certain of those closings as specific examples of the effects of closings which might be anticipated to occur through arms control and disarmament activities later and to be prepared with suggestions, recommendations to the agencies which have the responsibility for re-placing or helping displaced persons or for helping in the community to offset the economic effects of such closings.

Mr. FARBSTAIN. Don't you think you are spreading yourself a bit too thin, taking on all these obligations and functions together with your primary function? Because it would seem to me that studies in anticipation of particular closings would certainly require substantial funds.

Before the Brooklyn Navy Yard, or before Pennsylvania installations were to be closed, shouldn't you have made a study prior thereto to determine what would be the effect of the closing of these installations?

Mr. FOSTER. No, sir; these were closed by program changes, shifts in contracts, and other things over which we have no control.

Mr. FARBSTAIN. I understand that. That is not the point. I would like to know whether it is part of the function of your organization to make a study before the closing so as to know what the effect the closing has on the community or the Nation. That is the point I would like to have clarified.

Mr. FOSTER. You are asking if closings not occurring from arms reduction—

Mr. FARBSTAIN. No; I am restricting myself to Army installations and arms reduction.

Mr. FOSTER. You are restricting your question to those plants which are closed because of a disarmament agreement with the Soviet Union?

Mr. FARBSTAIN. Any disarmament. Was the Brooklyn Navy Yard closed because it was anticipated that this Navy yard was unnecessary, that we had reached some sort of a detente with the Soviet Union and things had eased up a bit enabling us to economize on what were considered to be unnecessary installations?

Mr. FOSTER. The Brooklyn Navy Yard closing is not the result of a disarmament agreement with the Soviet Union or anybody else. Therefore we have no responsibility for anticipating what the effect of that closing will be.

Our responsibility is to use that as an example of what might occur if we were to wipe out all Navy—

Mr. FARBSTAIN. Let's go to what happened in Pennsylvania. There was a closing of airplane factories; is that right?

Chairman MORGAN. They closed the Olmstead Air Force Base.

Mr. FARBSTAIN. Did you make a study as to what the effect of that closing would be on the community and Nation before the closing was ordered so that the Secretary of Defense would know what would happen?

Mr. FOSTER. No, sir; we did not.

Mr. FARBSTAIN. Why not?

Mr. FOSTER. Because we do not consider that that is a result of a disarmament arrangement worked out by the United States with

other peoples in the world. We would use that and do use that sort of thing as an example which is responsive to our authority and responsibility; namely, to plan for what happens if they are closed for other reasons.

Mr. FARBSTEN. This I cannot understand, because in answer to Mr. Gross' question yesterday with relation to the contract that was made with the Kansas City organization, you said, "We believe this can identify what shipyards can best be used if their activity is changed. That is a competitive contract. We believe this is a choice that was based on the best personnel and so on and it was coordinated and so on."

Isn't this the very thing that you now deny you have authority to do?

Mr. FOSTER. No, sir; I don't think so at all. We are using these closings which occur because of obsolescence of certain weapons, because of changes of contracts as between private contractors as examples today, practical examples of what the effect of cutbacks in expenditures for armaments can mean and how one plans to take care of the dislocation of human beings and other resources which occur thereby.

This is one of the items which we are asked to consider as amongst the research areas that we look at.

Chairman MORGAN. The gentleman's time has expired.

Mr. Fountain, do you want to use your time now?

Mr. FOUNTAIN. Mr. Chairman. In your statement, Mr. Foster, you state that some 40 countries of the world possess reactors used in peaceful atomic energy programs. Did any of those countries get their reactors from us?

Mr. FOSTER. Yes, sir.

Mr. FOUNTAIN. If so, which ones?

Mr. FOSTER. Well, I can supply a list.

(The information follows:)

*Countries which have obtained nuclear reactors from the United States*

| Country                         | Power reactors | Test, research, and teaching reactors | Country             | Power reactors  | Test research, and teaching reactors |
|---------------------------------|----------------|---------------------------------------|---------------------|-----------------|--------------------------------------|
| Australia.....                  | -----          | X.                                    | Japan.....          | X.....          | X.                                   |
| Austria.....                    | -----          | X.                                    | Korea.....          | -----           | X.                                   |
| Brazil.....                     | -----          | X.                                    | Mexico.....         | -----           | Planned.                             |
| Canada.....                     | -----          | X.                                    | Netherlands.....    | Planned.....    | X.                                   |
| China (Republic).....           | -----          | X.                                    | Pakistan.....       | -----           | Being built.                         |
| Colombia.....                   | -----          | Planned.                              | Philippines.....    | -----           | X.                                   |
| Congo (Léopoldville).....       | -----          | X.                                    | Portugal.....       | -----           | X.                                   |
| Denmark.....                    | -----          | X.                                    | South Africa.....   | -----           | X.                                   |
| Finland.....                    | -----          | X.                                    | Spain.....          | Planned.....    | X.                                   |
| France.....                     | Being built..  | -----                                 | Sweden.....         | -----           | X.                                   |
| Germany (Federal Republic)..... | X.....         | X (including 1 in West Berlin).       | Switzerland.....    | -----           | X.                                   |
| Greece.....                     | -----          | X.                                    | Thailand.....       | -----           | X.                                   |
| India.....                      | Being built..  | -----                                 | Turkey.....         | -----           | X.                                   |
| Indonesia.....                  | -----          | Being built.                          | United Kingdom..... | X (propulsion). | X.                                   |
| Iran.....                       | -----          | X.                                    | Venezuela.....      | -----           | X.                                   |
| Israel.....                     | -----          | X.                                    | Vietnam.....        | -----           | X.                                   |
| Italy.....                      | X.....         | X.                                    | Yugoslavia.....     | -----           | Being built.                         |

Mr. FOSTER. India, South Africa—there are probably 23 or 24 countries. In each of these cases as I said yesterday there is either a

present bilateral agreement which allows the safeguarding of what happens to the products that could be used for weapons use so we can get a——

Mr. FOUNTAIN. That is the next question. Do we have that in every situation?

Mr. FOSTER. Every U.S. supplied thing, either that or in some we have now transferred that safeguarding responsibility to the International Atomic Energy Agency.

Mr. FOUNTAIN. You are asking for \$55 million authorization over a 4-year period. Heretofore it has been a 2-year period; has it not?

Mr. FOSTER. That is correct.

Mr. FOUNTAIN. Please tell us more fully your reasons for wanting a 4-year authorization.

Mr. FOSTER. I will be very glad to, sir. I said yesterday at some length——

Mr. FOUNTAIN. I am sorry, I wasn't here yesterday.

Mr. FOSTER. I know. This will allow for a long-range research program. Our research programs are many times follow-ons of things started in one year that must be carried on to get the greatest results in succeeding years.

Therefore, a 4-year program will give us the opportunity to set those forth, we believe, more effectively. This is not only useful in terms of being able to cover all the things we would like to cover. It is also useful in the contract business, an organization to whom these contracts are given being able to set up their own staffs and their own organization on a more permanent basis.

As I said yesterday, a number of contractors, private contractors as well as other institutions such as universities, have found in this a subject of great interest to them as citizens, as businessmen, and have at their own expense established divisions or departments to bid on and to work with us in this field.

If they know that this is the kind of business that is going to go on for a longer period, they would be willing to invest more in it. It is also a help to us in recruiting top level personnel who on a 2-year basis may feel uncertainty in leaving a present occupation and joining with us.

As I said yesterday, there have been a number of people who have left our Agency in the course of the last 2 or 3 years to go to other pursuits and they might have stayed with us if we had a longer prospective life. I think the business is one that we will be in for some years.

Mr. FOUNTAIN. That rather astounds me, because if history means anything we are not accustomed to abolishing an agency once it is established. Offhand I can't think of any we've abolished. Of course, by this legislation we brought several together in the Arms Control Agency. This was a good approach.

Mr. FOSTER. We abolished WPB. I had the job of liquidating the thing. The CCC which followed it.

Mr. FOUNTAIN. Any time we seemingly abolish, we usually have something to replace it.

Mr. FOSTER. This disappeared. We acquired 8,000 employees and in 6 months I had them off the Government payroll.

Mr. FOUNTAIN. What were they doing?

Mr. FOSTER. This was the followon of the War Production Board at the end of World War II.

Mr. FOUNTAIN. Have you presented to the committee a list of the research contracts that have been entered into?

Mr. FOSTER. Yes, sir.

Mr. FOUNTAIN. Is that available for observation?

Mr. FOSTER. Yes, sir.

Mr. FOUNTAIN. You say two-thirds of the \$55 million is to be spent in research.

Mr. FOSTER. Yes, sir.

Mr. FOUNTAIN. Thank you, Mr. Chairman.

Chairman MORGAN. Mr. McDowell.

Mr. McDOWELL. Thank you, Mr. Chairman.

Mr. Foster, I suppose you are aware of the news article that was in last night's Evening Star referring to some of your comments in regard to your testimony before the committee yesterday. I particularly refer to it because I think it had some bearing on a question which I asked you yesterday and which Mr. Adair, Mr. Frelinghuysen have referred to this morning, as to any possible conflict in the program of your Agency and the atoms-for-peace program.

You mentioned this morning certain countries that have a potential of developing a nuclear material within a short period of time. In any of those countries have we under the atoms-for-peace program furnished the reactors to give them a part of this potential?

Mr. FOSTER. Yes, sir.

Mr. McDOWELL. India, for example?

Mr. FOSTER. Yes, sir. Israel we have. We have research reactors in the United Arab Republic. Japan we have. Sweden we have.

Mr. ADAIR. Yugoslavia?

Mr. FOSTER. Yes. I didn't mention that, but it could be added to the list.

Mr. McDOWELL. I suppose in West Germany, too?

Mr. FOSTER. Yes, sir.

Mr. McDOWELL. Then I don't completely relate your answer to my question yesterday. I will repeat the question here. I have the text of the hearing yesterday.

My question:

Do you find the policies of your Agency at any time in conflict with the atoms-for-peace program where we have made it possible for atomic reactors to be placed in many countries?

Your answer, Mr. Foster:

No, sir, we don't, because in the help we give to the nations in that regard we do insist on safeguards to make sure the products will not be diverted to other than peaceful use.

Mr. FOSTER. That is correct.

Mr. McDOWELL. Well, then, if we have insisted upon such safeguards in placing these reactors in these countries, I don't understand why in your statement, apparently—I am not saying it was correct, I know the newspapers can be very wrong sometimes in quoting people, but apparently you were pointing out this very danger in this story in the Evening Star last night that they could be diverted. Is this in spite of these safeguards that we have tried to write into these agreements or are the safeguards no good?

Mr. FOSTER. Not all of the reactors amongst the 40 countries to which I referred are under U.S. safeguards. There are some nations

which have given reactors or sold reactors to some of these nations without this kind of safeguard.

We have pressed to have all of these under safeguards. The danger is that under the pressures of security requirements, having available this kind of material, the pressures of their own security might lead them to breaching the safeguards and telling us not to come in because this is a contractual relationship and we have to come in of course with the permission granted under the agreements we have, but in some cases these bilateral agreements are a timed length for the safeguard, and when these expire as in some cases they have, the question is, Will we always be able to renew them or will we be able to transfer it to the IAEA? If a country decided that all of its neighbors were going the route of nuclear weapons, I think the safeguard system would be under tremendous pressure, and, therefore, this creates a hazard.

What I intended to imply was that this created a hazard around the world that these might go in this direction and particularly in the case of those countries which are not under U.S. safeguards or under the IAEA safeguards.

Mr. McDOWELL. Isn't this then directly in conflict with the efforts of your Agency to stop this proliferation and to bring about hopefully at some time some reduction in nuclear development in other countries?

It seems to me the two agencies are in conflict with each other.

Mr. FOSTER. [Security deletion.] One could say that it has the possibilities within it of being somewhat inconsistent in that it does contain some small element of risk that they might go the weapons route down the years. I think the risk of their going that way, however, can be minimized by a continued cooperation by us in the safeguards program and further strengthened if we can get the kind of universal agreement on nonproliferation on the part of the nonaligned powers. Every one of the nonaligned powers almost has at one time or another indicated it does not want to go the nuclear route. The nuclear route is not all peaches and cream, as we have found in our own activities. It is an extremely expensive club. It has a great responsibility.

It certainly increases the threat to nations of nuclear attack by other nations with nuclear capabilities. This is not a black and white choice. This we think is something that you have to go down both paths to some degree and we think the risk of their using this in this way is minimized at least by the provisions of safeguards which are in all our contracts.

We think also the atoms-for-peace program does have great possibilities in strengthening the economies of many of these nations and making them stronger in the main so they can avoid their difficulties in the unsettlements that come with economic chaos.

Mr. McDOWELL. It seems to me though that certainly within the next decade we are going to go one way or another. We are going to come to some international agreement, or we are going to have a rather widespread development of nuclear potential in many countries.

Mr. FOSTER. I would like to respond to one point further in connection with this. I haven't mentioned this before. But it is perfectly clear that if we continue a massive buildup of our own nuclear weapons and the Russians do the same, the opportunities to get everybody else to come into this nonnuclear arrangement will be minimized.

So that there are other things we must do to really cut down what we have in this regard in order to give a greater incentive for the other countries not to engage in this race.

We are proposing such other steps. Among them, of course, is the comprehensive test ban. This would put a limit on further development and therefore it contributes to this turndown.

Also, the nuclear freeze in which we would agree not to produce more strategic aircraft and missiles for delivery of nuclear weapons and indeed we have proposed the destruction of certain nuclear delivery capabilities. We think all of these must accompany a nonproliferation agreement in order to have it endure.

Mr. McDOWELL. You would agree that the necessity for a country to develop a sophisticated system of delivery is not necessarily a bar to their own potential threat, at least to a neighboring country in their development of a nuclear bomb? They don't have to have a big airplane to deliver small nuclear bombs.

Chairman MORGAN. The gentleman's time has expired.

Mr. Fulton.

Mr. FULTON. I had questioned yesterday on the economic impact field. You said the Agency is giving emphasis to economic impact studies. You have given a figure of people who are now working in that field that to me was pretty small.

Do you recall the figure? And then I would like to know what your plans are in this field on personnel for expansion in the coming year.

Mr. FOSTER. Mr. Fulton in the new budget for this year we have called for an increase in that bureau of three people which percentage-wise is substantial, it being about 30 percent.

Mr. FULTON. That will make the total then, during this coming fiscal year, how many people?

Mr. FOSTER. Fourteen.

I am wrong. We have 14 now. There will be 17. The increase percentage-wise is less than I said.

Mr. FULTON. Seventeen people then will be working in this economic impact research field. In that field are you supplying the facts on the effects that have occurred, and are occurring on the closings all throughout the Defense Department, and that includes all the armed services?

Mr. FOSTER. Yes. We would not take all 95 closings, Mr. Fulton. We would take a representative sample—I put this in the statement I submitted for the record a little while ago—the 95 is too much for our limited resources, even though some of our studies will be done in conjunction with the Defense Department.

We will take a representative sample function-wise and geography-wise, and area-wise.

Mr. FULTON. That coverage will not include then, for example, major contractors with the services, such as the General Electric Co. with the Navy, for example, at Scranton, Pa., where they are closing down a plant and saying it is because of lack of Navy orders.

You don't get into the contractor and the subcontractor field on the research investigation at all, do you?

Mr. FOSTER. Yes; we have taken certain large contractors into consideration, Mr. Fulton, in looking at the effects. For instance, we have taken the Martin Marietta setup in Denver, where they have

had a large closing. We have taken Boeing at Seattle where there is a large closing.

Mr. FULTON. Are you checking this at Scranton, Pa., where there would be a large closing in prospect? Unless you were looking over the smoldering ashes, it would seem to me you would have to have your team get facts as the volcano erupts.

Mr. FOSTER. We have gotten in very close to the time, and I think in this 95 plant closing, which is over time as you know, we are in at the inception.

Mr. FULTON. In your judgment is this particular section of personnel to implement this economic impact research, adequate for your use? Or should you do more than example studies?

Mr. FOSTER. It is adequate in our opinion assuming that we are able to draw on the resources of private industry, we, acting as the catalyst and the instigator of the contracts, and we, asking in our new research program for a substantial increase in the amount of dollars to cover a broader area.

Mr. FULTON. You have used by contract the State of New York's employment services. Would you be interested in the State of Pennsylvania employment services in such an instance?

Mr. FOSTER. Under appropriate circumstances, we send out requests for proposals, Mr. Fulton, and we send them to some private corporations. I think we had over 125 who received our request for proposals in one case.

Our difficult job is to select from that one that appears to have the best available personnel to assign to the job and the best resources and the most urgent problem. This is a difficult decision I would say to you, sir.

Chairman MORGAN. The gentleman's time has expired.

Mr. Murphy.

Mr. MURPHY. Thank you, Mr. Chairman.

Mr. Foster, did the United States furnish a reactor to Indonesia?

Mr. FOSTER. Research reactor, Mr. Murphy. A very small research reactor.

Mr. MURPHY. Do you know to what use it is being put to today?

Mr. FOSTER. Yes, we know of what use it is being put. It has been purely research. It has been used to help in research, in isotopes, this kind of thing. It could produce modest amounts of plutonium, but not enough to produce in any reasonable period of time enough to do anything with the weaponry.

Mr. MURPHY. Is there any possibility of Red China granting aid to Indonesia for developing major nuclear capabilities?

Mr. FOSTER. Well, it would be a brandnew enterprise. They couldn't expand this reactor to be of any effectiveness in a weapons sense.

Mr. MURPHY. Thank you.

Chairman MORGAN. Mr. Monagan.

Mr. MONAGAN. Thank you, Mr. Chairman.

(Discussion off the record.)

Chairman MORGAN. Mr. Fraser.

Mr. FRASER. Mr. Foster, I think this was probably clarified at the time when the discussion arose last fall, but the use of nuclear weapons as tactical weapons in Vietnam would be a violation of the test ban treaty?

Mr. FOSTER. Sir?

Mr. FRASER. If the United Nations should utilize nuclear explosives to dig a canal, would that constitute—would that be permissible within the framework of the nuclear test ban treaty?

Mr. FOSTER. I will have to defer to my distinguished associate, the international lawyer, Mr. Fisher.

**STATEMENT OF ADRIAN S. FISHER, DEPUTY DIRECTOR, ARMS  
CONTROL AND DISARMAMENT AGENCY**

Mr. FISHER. I think probably you would have to amend the treaty for that. The fact that the U.N. as an organization of nations was doing it, as opposed to the U.N. as an international agency, and it is the sum of its parts, but it probably could not do what the member nations have committed themselves not to do.

Mr. FRASER. They are not a signatory?

Mr. FISHER. That is true. I haven't thought of the U.N. as an entity for this purpose, but it is an entity for other purposes. But the U.N. doing it as a sum of its parts is a nice question. If it is a violation of the treaty by all of its members, you would have a hard time getting support from all the members, doing with your left hand what you can't do with your right hand.

It is a nice question and I hate to give you a horseback opinion.

Mr. FRASER. My horseback reaction would be just the opposite. If the United Nations did it, it would not be a violation by any signatory nation.

Mr. FISHER. In the Vietnam action we probably wouldn't have a nuclear explosion, but if we went to war, the treaty says it does not prevent use of nuclear weapons in the case of war.

Mr. FRASER. If we declared war on North Vietnam?

Mr. FISHER. Yes.

Mr. FRASER. In the absence of a declaration of war then—

Mr. FISHER. Say a state of war. I don't like to get into what would happen, and say if there was another Pearl Harbor and you had a period between the time of Pearl Harbor and action by Congress. I would say a state of war.

Mr. FRASER. What is the language in the test ban treaty that provides that exception?

Mr. FISHER. It is the whole purport of the treaty in terms of the other nuclear explosions being merely designed to—evasion of the nuclear test restriction by exploding something that you call not a test. This was discussed with the Soviets. They are under no misunderstanding of that because they regularly now advocate measures designed to ban the use of the bomb in war.

If they thought they already had an agreement to that effect, they would not be advocating those measures with all the precision they are now doing.

Mr. FULTON. Would you yield?

Mr. FRASER. Yes.

Mr. FULTON. The Soviets had already proposed to change the courses of rivers flowing north to have them flow south by the use of atomic explosions. Why would it be, in the case of the United States or the U.N., in the case of a canal, for us one ruling, and for the Soviet another in the case of rivers?

Mr. FISHER. When they were asked about that in Moscow, they said they were not really quite as enthusiastic as they felt their initial statements had been, and they said they realized this treaty might prevent it. They did agree to a change in the amendment clause, which has been the original parties plus two-thirds. We proposed original parties, including a majority of all signatories, which this committee well knows is quite rare in treaties.

Amending a treaty is probably all the parties, or at the most liberal, two-thirds.

They said, "Why are you proposing such a change?"

We said "We all know we may get to a point where excavation by nuclear weapons is feasible, and we want to make it very simple."

We don't think we could get away with the three original parties, and nobody else, because it made it look too cosy. It was written to have an amendment of the three original parties including a majority of all the parties, not a majority of the others, but counting the three in the majority to make up the majority. This is probably the most liberal amendment clause of any treaty that has ever been put before the Senate. That is the reason for it.

Mr. FRASER. Could you put into the record a statement that would deal with the question of the use of nuclear weapons in Vietnam vis-a-vis this treaty?

Mr. FISHER. We can, sir. We have an opinion of the Legal Adviser of the Department of State who is more authorized than I to deliver such an opinion. Not with specific reference to Vietnam, but in reference to whatever state of war exists.

Mr. FRASER. At least enough of a discussion so that it would fit the problem of Vietnam. I don't believe we are in a state of war in Vietnam—the United States.

Mr. FISHER. I will certainly submit something for the record. I think it is better to do it from the Legal Adviser than have a horseback opinion from me.

(The information follows:)

#### USE OF TACTICAL NUCLEAR WEAPONS IN WARFARE

The following opinion of the Legal Adviser of the Department of State concludes that the limited test ban treaty imposes no limitation on the use of nuclear weapons in war. This opinion was submitted to the Senate during its consideration of the treaty.

The opinion also concludes that the treaty makes no distinction between tactical and strategic weapons; it imposes no limitation upon the use of either in time of war.

On the basis of this opinion and other statements, the Senate Foreign Relations Committee concluded that "the treaty in no way impairs the authority and discretion of the Commander in Chief in time of crisis to employ whatever weapons he judges the situation may require, in accordance with our constitutional processes." (Senate Executive Report No. 3, 88th Cong., 1st sess., p. 6, 1963.)

Among the statements on this subject which the committee heard was the following colloquy:

"Senator STENNIS. Under the term 'nuclear explosion,' in the treaty, would that language prohibit the use of tactical nuclear weapons in what we call limited wars or limited conflicts outside the United States without invoking the 3 months' notice?

"Secretary RUSK. No, sir. It does not inhibit in any way the actual use of nuclear weapons for military purposes. It inhibits the testing and the explosions in effect in peacetime.

"Senator STENNIS. There is no limitation or anything like that on these small tactical weapons or their use that go with our infantry?"

"Secretary RUSK. That is correct, sir."

(Hearings on Executive M., 88th Cong., 1st sess., Senate Committee on Foreign Relations, p. 43, 1963.)

#### THE NUCLEAR TEST BAN TREATY

AUGUST 14, 1963.

#### OPINION OF THE LEGAL ADVISER

Subject: Meaning of the words "or any other nuclear explosion" appearing in article I, paragraphs 1 and 2 of the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and Underwater.

Article I, paragraph 1, of the treaty provides:

"1. Each of the parties to this Treaty undertakes to prohibit, to prevent, and not to carry out any nuclear weapon test explosion, *or any other nuclear explosion*, at any place under its jurisdiction or control: \* \* \*

Article I, paragraph 2, provides:

"2. Each of the Parties to this Treaty undertakes furthermore to refrain from causing, encouraging, or in any way participating in, the carrying out of any nuclear weapon test explosion, *or any other nuclear explosion*, anywhere which would take place in any of the environments described or have the effect referred to in paragraph 1 of this article."

The question has been raised whether the words "or any other nuclear explosion" impose any limitation on the use of nuclear weapons by the parties in war.

The answer is "No."

#### I. THE TEXT OF THE TREATY

The text of the treaty and its internal construction provide ample grounds for answering the question in the negative.

The title of the treaty is "Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and Underwater." This title delimits the operative scope of the treaty. It shows that the treaty was intended to deal with weapon tests and not with the use of nuclear weapons in combat or in connection with armed hostilities. The limited scope of the treaty in this respect is reinforced by its preamble. The second paragraph looks forward to more general disarmament, eliminating the incentive to the production and testing of nuclear weapons. If this treaty banned the use of such weapons in wartime, the incentive for further production and testing would already be gone. Similarly, the third paragraph of the preamble, looking to the future negotiation of a comprehensive test ban, shows that this treaty is limited in its application to nuclear weapons tests.

The Agreed Communiqué issued when the Treaty was initiated refers to a series of meetings to discuss "questions relating to the discontinuance of nuclear tests." It notes that agreement was reached on the "text of a treaty banning nuclear weapons tests in the atmosphere, in outer space, and underwater." It refers to the agreement in several places as "the test ban treaty," and it refers specifically to discussions relating to a nonaggression pact. Had the negotiators agreed to ban the use of nuclear weapons in war it would surely have been mentioned in the Agreed Communiqué.

Moreover, the general scheme of the Treaty is inconsistent with an interpretation of the words, "other nuclear explosion" to cover wartime use of nuclear weapons. The Treaty has no effect on laboratory development of nuclear weapons. It permits weapons tests and other explosions underground, so long as the radioactive debris is confined within the territorial limits of the State in which the explosion is conducted. The Treaty does not restrict weapons production, as appears from the second paragraph of the Preamble. The Soviet Union has rejected any proposal even to restrict the production of fissionable material for weapons purposes. Finally the Treaty does not require the destruction of any stockpiled weapons. It is hardly conceivable that a treaty which permits the development, testing, stockpiling, and production of nuclear weapons should be construed as banning their use in wartime.

#### II. NEGOTIATING HISTORY

The conclusions derived from the text of the Treaty are supported by a review of the negotiating history. That history reveals that the words "or any other nuclear explosion" were inserted to prevent evasion of the Treaty by the explo-

sion in peacetime of tested nuclear weapons, whether for peaceful purposes or otherwise.

The basis for the Moscow negotiations was the draft of the limited nuclear test ban treaty tabled in Geneva on August 27, 1962, by the United States and United Kingdom delegations. Article I of that draft prohibited nuclear weapon tests. Explosions were dealt with in Article II. Such explosions were permitted but were to be subjected to controls because of the difficulty of distinguishing peaceful purpose explosions from weapons tests.

In the course of the Moscow negotiations, the Soviets rejected Article II of the August 1962 draft completely. This rejection would have left a loophole in the Treaty if Article I had remained confined to "nuclear weapon test explosions." A party might have conducted explosions revealing valuable military data or even weapon tests on the pretense that they were in fact peaceful purposes explosions and not "nuclear weapon test explosions." In order to close this loophole, the phrase "any other nuclear explosion" was inserted in Article I at the appropriate points. Its purpose is to prevent, in the specified environments, peacetime nuclear explosions that are not weapons tests. That is its only significance.

### III. GENERAL UNDERSTANDING

This construction of the phrase "or any other nuclear explosion" is supported by the public statements of United States and other officials prior to the signature and ratification of the Treaty. Thus, in his radio address presenting the Treaty to the American public, the President said:

"[N]o nation's right of self-defense will in any way be impaired. Nor does this treaty mean an end to the threat of nuclear war. It will not reduce nuclear stockpiles; it will not halt the production of nuclear weapons; it will not restrict their use in time of war."

The President's message transmitting the Treaty to the Senate for advice and consent to ratification makes the same point,<sup>1</sup> as does Acting Secretary Ball's letter transmitting the Treaty to the President.<sup>2</sup> Secretary of State Rusk reiterated the point at the signing ceremony in Moscow, and again in his testimony before the Senate Foreign Relations Committee. There he said:

"This Treaty does not affect the use of nuclear weapons in war. It has to do with nuclear testing in time of peace."

This understanding of the import of the Treaty is not confined to United States officials alone. For example, United Nations Secretary-General U Thant, appearing in Moscow at the Treaty signing, listed a number of "other equally important measures aimed at the relaxation of tension." Among these he included the following:

"I would also hope that the proposal, initiated in the fall of 1961, for convening a special conference for signing the convention on the prohibition of the use of nuclear and thermonuclear weapons for war purposes, will now receive wider support."

It would obviously be unnecessary to hold such a conference if the test ban treaty itself outlawed the use of such weapons in war.

### IV. TACTICAL WEAPONS

There has been some suggestion that the phrase "or any other nuclear explosion" might outlaw the use of tactical, as opposed to strategic, weapons in war-time. There is no basis in the Treaty for making any distinction whatever between tactical and strategic weapons. The analysis in this Opinion applies fully to tactical as well as strategic weapons.

ABRAM CHAYES, *Legal Adviser.*

Chairman MORGAN. Mr. Rosenthal.

Mr. ROSENTHAL. Mr. Foster, last year a number of Members in both Houses prepared a bill—I think it was calling for an Economic Con-

<sup>1</sup> "While it will not end the threat of nuclear war or outlaw the use of nuclear weapons, it can reduce the world tension, open a way to further agreements, and thereby help to ease the threat of war."

<sup>2</sup> "The phrase 'any other nuclear explosion' includes explosions for peaceful purposes. Such explosions are prohibited by the treaty because of the difficulty of differentiating between weapon test explosions and peaceful explosions without additional controls. The article does not prohibit the use of nuclear weapons in the event of war nor restrict the exercise of the right of self-defense recognized in article 51 of the Charter of the United Nations."

version Commission. Members of both parties supported it. I think the principal mover was Senator McGovern. Do you recall if your Agency took a position on that bill, and if so, what it was?

Mr. FOSTER. It was a very involved situation. We said in the first place we thought there was a mechanism already functioning that would meet the need, the Ackley Committee, which was the President's Committee at that time, but we were sympathetic with the objectives of the bill.

Mr. ROSENTHAL. Without any soliciting or any prior commitment, what is your position today? Have you given this matter further thought?

Mr. FOSTER. We have been asked for an opinion, I think, on it. I think this is in preparation at the moment. I think I would defer while this is being considered.

We are sympathetic with the objectives, certainly.

Mr. ROSENTHAL. I have no further questions, Mr. Chairman.

Chairman MORGAN. Mr. Roybal.

Mr. ROYBAL. Mr. Foster, I met a very vociferous man on the airplane the other morning who did not hesitate to tell all of us what was wrong with our foreign policy. He said that we as a country have a program for the exchange of nuclear information and also equipment.

Then he went on to say that we also have a program for the exchange of scientists conducted by your Agency, that these scientists from friendly countries come to the United States, then they go back to their country and finally get the information to—and he did mention India, and so forth. He said that we might even be conducting a program where Red China is getting some of this information.

There was no one there to argue with him as it was felt that it was useless to dispute anything he said. My point is this, it is a very dangerous situation to have anyone, whether he be a member of this committee, a Member of Congress, or any citizen of this country make statements of that kind. How would you have handled the situation had you been listening to all of this?

Mr. FOSTER. There are very firm legal restrictions on the exchange of nuclear information by any American citizen or any agency of the U.S. Government. This is only allowed under very strict and careful and prescribed ways, and only to certain designated recipients.

The Arms Control Agency does not conduct such an exchange program. The United States exchanges nuclear information with the United Kingdom. The law is based on the fact that presumably those—literally any of those who are able to obtain such information must have developed on their own nuclear capabilities which are also consistent with our own interest.

The only nations that I know that the United States has that kind of exchange with to the highest degree is the United Kingdom. Canada is in on certain parts of the nuclear information. So these scientific exchanges are not dealing with this sort of information, cannot deal with this sort of information.

Our Agency is encouraging the exchange of discussions between Soviet scientists and our own on seismic detection devices, for instance, seismographs and so forth, in an attempt to find a way in which they and we will agree on evidences that come out of explosions, be they manmade or nuclear. We find that these exchanges

have produced in the past some very useful insights into what the Russians are thinking and what their capabilities are.

But in no instances is it information of the sort that would bear on our national security and in no instances is there any nuclear information exchanged under the terms of the exchange limits of the Atomic Energy Act.

The first part of his statement I don't quite remember. You said he spoke of some—

Mr. ROYBAL. That we exchange nuclear information and equipment.

Mr. FOSTER. There are very careful looks at any exports of this equipment having to do with weapons purposes. This is a matter of concern to us since it would lead to the proliferation of this. I think anyone who states this is done outside of these limits which I have referred to just is uninformed.

Chairman MORGAN. Mr. Hamilton.

Mr. HAMILTON. Thank you, Mr. Chairman.

Mr. Foster, you have repeatedly stated the urgency of this question of "proliferation of nuclear weapons," and yesterday in response to a question of mine as to the allotment of your own time in this field, you said, "Whatever time I have left from other things, I spend on it."

Then I noticed on page 16 of your summary presentation here the statement that "The problem of nuclear proliferation will be given greater emphasis in the fiscal year 1967 and beyond."

How do you reconcile these things? You evidently in your own time consider this less important, or at least so I would judge from your statement to me, than other things, and then there is a step up in your budget in fiscal 1967.

If the question is as urgent as you seem to indicate, wouldn't your own time be concentrated here and wouldn't the research facilities step up this year rather than in 1967?

Mr. FOSTER. One of the difficulties of a government servant is that he has a lot of urgent things. My assignment to the United Nations as a member of the delegation is because of the emphasis on proliferation since the United Nations will be the place at which this not only will come to pass first, if it comes to pass, but is actively under negotiation at this time.

I spend a day here and 2 days in New York, and so forth and so on. So far as my own times goes, the reason I have this position—the President appointed me as a member of the delegation—is because of the emphasis that we all know is going to be placed on this subject at New York.

As to the research situation in connection with proliferation, as I responded to Mr. Frelinghuysen yesterday, the quantitative dollars are not necessarily a measure of the urgency because there are some things which require more money to do even though they are less urgent—namely, the development of hardware, for instance, is a very expensive thing as contrasted with policy discussions and investigation.

The question of research in 1967, while we hope that we might make progress toward at least the background for a nonproliferation agreement this year, in having all the nations of the world express

their intent to abide by an agreement that would bring about these ends, this control, we are not sure that we will get that done this year.

This is going to be a most difficult thing to do. The negotiation of this with 115 nations or so is not something you do overnight.

The investigation of safeguards and all the things that go with it, to reduce the chances of proliferation, we believe will go into 1967 and perhaps beyond.

Mr. HAMILTON. Would you say this agreement would have the highest priority in your Agency?

Mr. FOSTER. It has the highest priority. We believe this is the most urgent problem we face.

Mr. HAMILTON. Thank you.

That is all, Mr. Chairman.

Chairman MORGAN. Mr. McVicker.

Mr. McVICKER. Thank you, Mr. Chairman.

Mr. Foster, I believe when you stated some two dozen countries do have reactors now from the United States, you stated also that we do have a safeguard contractual arrangement with every one of them.

Does this include our own in-person inspection in these countries as to what they are doing?

Mr. FOSTER. We have developed a form of inspection in which we are allowed access, I think "at any time." Power reactors which would have the threat of providing possible fuel have this commitment.

We can check the quantitative input of the fuels, the burnup that has taken place, the residue that is left, so that we know what the processing of the fuel is, where it goes and what it is used for, and we have the ability to, we have the right to check that at any time we feel it is necessary.

This is not true of the research reactors which do not pose this threat. The ability to look at those is not as unrestricted as it is in the power reactors.

Mr. McVICKER. What kind of reactors—

Mr. FOSTER. The power reactors produce electric energy. Indonesia has a research reactor.

Mr. McVICKER. Our people could not go in there right now and examine—

Mr. FOSTER. We have the right of access at times. I don't know how frequently.

In other words, they might have to run for 20 years in order to develop enough of this material to produce a device and we would have access much more frequently than any number of years.

Mr. McVICKER. It is fair to say, sir, with regard to all of the reactors, any kind, that we have supplied to other countries, our Government is confident these cannot be used in a military way or for further direct military goals without our knowledge?

Mr. FOSTER. Without breaching the contract.

Mr. McVICKER. Without either breaching the contract or if they do breach without our knowing that they do breach.

Mr. FOSTER. That is correct.

Mr. McVICKER. If they do breach the contract, what would be the steps?

Mr. FOSTER. Then you have the usual question of what pressures, what restrictions you apply, political, economic. I don't think we would necessarily go to a military attack.

Mr. McVICKER. Has that happened in any instance?

Mr. FOSTER. It has not happened in any instance.

Mr. McVICKER. That is all.

Chairman MORGAN. Mrs. Bolton.

Mrs. BOLTON. Thank you, Mr. Chairman.

Just a couple of short questions. Are you still planning to permit the international inspection of any one of the four plutonium reactors without any reciprocity from Russia?

Mr. FOSTER. This is still under discussion. We have not shut them down yet. The question of when will be discussed with the Joint Committee, when, as and if it occurs.

Mrs. BOLTON. Did you say that we were close to having an adequate verifiable detection system for the new—

Mr. FOSTER. No. I said that we have made progress toward the development of such for a comprehensive test ban. We have it if we could have on-site inspection accompany any arrangement. What we would need, however, is a continuation of some on-site inspection.

Mrs. BOLTON. And how about the underground?

Mr. FOSTER. I am speaking of tests underground. We have an adequate one for the ones in the atmosphere, under water, and in space.

Mrs. BOLTON. Not underground.

Mr. FOSTER. We can detect everything underground down to any significant size. We can not always tell whether it is an earthquake or a nuclear explosion.

For that we would continue to need some ability to go on the property to look at it.

Mrs. BOLTON. Thank you very much.

Chairman MORGAN. Any further questions?

Mr. FRASER.

Mr. FRASER. Mr. Foster, one question I forgot to ask. Was there any radiation on the Kiwi explosion?

Mr. FOSTER. Yes, but in a very restricted area and very, very small indeed.

Mr. FRASER. No chance—

Mr. FOSTER. None of this could have gotten outside.

Mr. FRASER. It would have to get outside our borders to constitute a violation?

Mr. FOSTER. Not this one, unfortunately. This was in the atmosphere.

Mr. FRASER. It is only the underground ones?

Mr. FOSTER. The treaty, you see, proscribes any explosion in the atmosphere, any nuclear explosion. We deny this is a nuclear explosion. So the matter of radioactive debris is not of significance in their charge.

Mr. FRASER. I might add that my question about the United Nations detonating an explosion in digging the canal was my interest in exploring the possibility that the United Nations build a canal and operate it.

Chairman MORGAN. Any further questions?

The Chair wants to state that we have no requests to be heard from any outside witnesses. We had a telephone call the other day from the Friends Committee on National Legislation, who want to appear in support of the Agency. They sent me a letter. We will ask them to file a statement. I remember 2 years ago we had representatives of the Atomic Energy Commission here, as well as the CIA, the Defense, and the State Departments testify.

I don't see any reason why that type of testimony would be valuable this year. I do not believe that there is any doubt whether the other agencies supported this Agency.

I think that issue was well covered in the testimony in 1963. If you want Mr. Foster back for further questioning, if you feel you have further questions, I am sure he will be available. If not, the Chair would like to proceed with the markup of the bill as soon as possible.

Mr. ROSENTHAL. The only thought I have, Mr. Chairman, do you think we will have any trouble on the floor with the 4-year as compared to the 2-year?

Chairman MORGAN. We have to fight that out when we go into executive session for the markup of the bill. I think the Director and the President both feel strongly that it should be a 4-year authorization. I had consultations with the Director in December.

I know they are convinced that this will help in strengthening the research part of the program, as in keeping key personnel. I think this is to be decided when we go into executive session.

The bill as you know is very short. The amount of money to be authorized is the entire bill.

Mr. FOUNTAIN. There is a question I want to ask before we leave. First I would like to say, Mr. Foster, I would be one of the last as a Member of Congress, or in any other capacity, to discourage research. I know it is necessary, and necessary in your Agency.

Yet I know and feel, and I think many Members of Congress feel that in many agencies of Government a lot of money is wasted under the label of research.

Doesn't our total Government research figure run about \$13 or \$14 billion out of the total budget?

How do you go about determining the type of research contracts you will negotiate? Who do you have in your setup to negotiate these contracts and what are the qualifications of those individuals in determining the kind of research projects to contract for?

Research budgets can grow and grow and one of these days you could be spending more and more money on matters that are not as relevant as they ought to be to arms control.

For example, Mr. Farbstein and others were concerned about your making studies as to the economic impact of closing military installations. I think enough agencies are already in existence to do that sort of thing. It ought to be done by some agency. I can conceive of situations where in carrying out the purpose of the act you might be called upon to make a study as to the advisability from a defense standpoint of closing certain installations, strategic ones and so forth.

But I wonder if you could just give us a little fuller picture of just how you go about this business of making decisions as to the type of research contracts you enter into and how far you will go.

Mr. FOSTER. I will start by being a little immodest. I have supervised research programs over the years in private industry as large as \$30 million a year, not \$55 million in 4 years. I have supervised in Government research programs up to \$2 billion a year. I think this is a very small research program for a very large problem.

Our problem really is to select out those things which must be done in order to carry on the responsibilities which we are charged with. We have developed a system to make this selection by establishing a research council which is chaired by the Assistant Director for Science and Technology, who was with us yesterday, Dr. Scoville, who is now in Europe appearing before the NATO Council today and meeting with some scientists all over the world in the seismology field. Members of the research council besides him are the Assistant Directors of each of our functional bureaus, which is International Relations, Economics, Weapons Evaluation of Control and the General Counsel and our executive officer, Mr. Donelan, who is the man who signs the checks and the Director of our Reference Research Office, which is the group that collects all the literature on the various things that happen and incidentally is responsible for some of the books that have been sent up to you—for instance the Library of Congress publication which takes all of the outside research, all of the outside writing which is done.

Each of the assistant directors of our organization has ideas as to what he thinks would best allow him to carry on his functions. He must, however, bring that in and have it, so to speak, agreed to by the other men who are fighting for the part of the budget they get.

The original submission of research projects is several times perhaps what we come up with in the budget. Last year and the year before actually we came in with a request for \$11 million as you probably recall. Therefore there are not only new ideas which occur as negotiations proceed and as technology advances, there are also some of the earlier items which we have not been able to do because of reductions in our requested budget.

So that the job of selecting out for recommendation to me for final decision is a very active debating society and discussion. Each proposal must be supported and pleaded for by the ones who believe it is possible before that research council.

So that what comes to me is the selected-down list. There are some in that that I don't feel should be done and there are some that I feel perhaps should be replaced by others because I will see all the proposals in one form or another. What comes out, this past year \$5,400,000 for research, most of it not in the field of the things that cost most money.

We did have originally in the budget last year something over—almost \$3 million for research in actual field testing—looking at things that could occur, looking at what you would find by using existing sensors to examine—for instance we participated in the Desert Strike activity by looking at all that took place, to see how much we could count with people, to see if there was hiding of devices, with the possibility of verifying whether the opponent was hiding some things or producing some things that he had agreed not to produce. We had to cut that way back.

Again this year when we started we had something over two and a half million dollars in the budget. By good management on the part

of our weapons and evaluation controls group, General Dean and his direction of the Cloud Gap which is the name for the field test program, they came to the conclusion if we could put eight more men on our own staff we could replace a lot of outside research that was needed because, quite frankly, we know now so much more about this business than anybody else does in and around the Government in terms of its direct applicability as to arms control and disarmament that we could save about a million dollars with this device.

This is a sharply screened down setup. We get ideas from outside, too. As I indicated to you there have been some unsolicited proposals which we have found to be of great value and which we had not thought of.

This is a very complicated subject. We don't have all the answers in the world. Some of these come in from the outside, and they go through the same process. There are several of those which are in prospect for the coming year if we get the money. There is a thumbnail description of the method.

Mr. FOUNTAIN. I am glad to hear that. I anticipated and hoped I would get that response—that this matter is very carefully gone into.

I am delighted to know that a selectivity process is very carefully gone into, because some agencies of Government dispose of substantial sums of money for low priority research items.

Thank you.

Chairman MORGAN. Any further questions?

The committee stands adjourned until 10 o'clock Tuesday morning when we will start the markup of the bill.

(Whereupon, at 12:33 p.m., the committee adjourned.)



## APPENDIX

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(The following statements have been submitted for inclusion in the record:)

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, D.C., January 30, 1965.

HON. THOMAS E. MORGAN,  
*Chairman, Foreign Affairs Committee, Washington, D.C.*

DEAR MR. CHAIRMAN: I wanted to advise you that I have introduced H.R. 3721 to amend the Arms Control and Disarmament Act to increase the authorization for appropriations. This legislation is identical to H.R. 2998 currently under consideration by your committee.

As you may recall, I was among the members of the 87th Congress who introduced legislation to create the U.S. Arms Control and Disarmament Agency. I continue to strongly support the aims of this original legislation and I want to formally assure your committee of my fullest support of the legislation now being considered to modestly expand the capabilities of the ACDA.

It is imperative that this Nation exercise constructive leadership in the quest for world peace. It is for this reason that I urge your committee to favorably report this legislation. I would appreciate your considering this communication part of the formal record of the hearings on this important matter.

Sincerely,

RICHARD S. SCHWEIKER,  
*Member of Congress.*

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FRIENDS COMMITTEE ON NATIONAL LEGISLATION,  
Washington, D.C., January 29, 1965.

Dr. THOMAS E. MORGAN,  
*Chairman, House Foreign Affairs Committee,  
House Office Building, Washington, D.C.*

DEAR MR. MORGAN: We appreciate this opportunity to share with you some comments on H.R. 2998, concerning the Arms Control and Disarmament Agency.

We support a 4-year extension of the Agency's authorization. Ending the arms race is a long-term undertaking, and a 4-year extension will emphasize a continuing congressional commitment to the challenge President Kennedy laid down at the United Nations, September 25, 1961:

"It is therefore our intention to challenge the Soviet Union, not to an arms race, but to a peace race—to advance step by step, stage by stage, until general and complete disarmament has been achieved."

The request for \$55 million over a 4-year period is pitifully small and woefully inadequate compared to the Agency's task. The Department of Defense will spend more than this 4-year total every day in 1965.

We are glad to see the Agency plans increasing research on the economic impact of arms cuts. This emphasis is long overdue. The transition process is already underway and specific recommendations and help are needed right now in many communities across the country.

We are glad to note that Mr. Foster stresses the need to halt the spread of nuclear weapons and that the President has appointed a special task force on this issue. In our view, however, there is not yet the required sense of urgency in the executive branch on this question. We are on the brink of an era where many more nations will obtain nuclear weapons, thus immeasurably increasing danger and instability. The opportunity for an effective nonproliferation agreement is slipping through the grasp of the Geneva nego-

tiators while the debate goes on endlessly over whether the multilateral force (MLF) is, or is not, "proliferation." We urge your committee and Congress to hold special hearings on this issue and impart a sense of real urgency to the executive branch.

ACDA has been the target of extensive and unjustified attacks. We hope that your committee's report will help clarify the factual situation, and encourage the Agency to be more active, creative and imaginative inside the executive branch and in international negotiations in searching for ways to end the arms race.

Sincerely yours,

EDWARD F. SNYDER.

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INTERNATIONAL UNION, UNITED AUTOMOBILE,  
AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA—UAW,  
Washington, D.C., January 29, 1965.

HON. THOMAS E. MORGAN,  
Chairman, House Foreign Affairs Committee,  
House Office Building, Washington, D.C.

DEAR CONGRESSMAN MORGAN: The United Auto Workers wholeheartedly supports the proposal to extend the life of the U.S. Arms Control and Disarmament Agency which is now before your committee. We are especially concerned that the good work of the ACDA be continued to explore the social and economic consequences of disarmament, since many of our members and their families are directly affected by changes in the U.S. defense policies.

In addition, we are especially concerned that the American posture in world affairs be known as a champion for world peace.

We are heartened at President Lyndon B. Johnson's reaffirmation of his faith in the Agency and join him in urging full endorsement of this arm of our Government in exploring ways to reduce world tensions.

We would appreciate if this communication could be included in the printed hearing of the committee proceedings.

Sincerely yours,

FRANKLIN WALLICK,  
UAW Legislative Representative.

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COUNCIL FOR A LIVABLE WORLD,  
Washington, D.C., February 1, 1965.

HON. THOMAS E. MORGAN,  
Chairman, House Foreign Affairs Committee,  
U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN MORGAN: The Council for a Livable World supports the administration's bill, H.R. 2998, and hopes that the House Committee on Foreign Affairs will favorably report out the bill as submitted from the White House.

Our reasons for supporting the bill are as follows:

1. The requested 4-year authorization would act as an expression of confidence by the Congress and indicate to the world that the United States is serious in its quest for meaningful measures of arms control and the reduction of international tensions.

2. A 4-year authorization will give to the Arms Control and Disarmament Agency the prestige and assurance of continued support sorely needed to attract and retain competent personnel.

3. The requested 4-year authorization will enable the Arms Control and Disarmament Agency to conduct research not only on a year-to-year basis, but also to stimulate research on long-range projects dealing with future problems or problems of a continuing nature. Such research is liable to be inefficient if conducted in pieces which have to be patched together.

Sincerely yours,

H. ASHTON CROSBY,  
Executive Director.