

Mr. SCHULTZE. The only thing that I can refer to on that is my understanding that we are talking now about a number of bills this year, not last year, the rat extermination bill, the model cities bill, and others.

Mr. BYRNES. Is that what is causing the riots?

Mr. SCHULTZE. I am not saying anything about causality. I am simply saying the bills in question were the Teachers Corps, and the rat extermination, and model cities bill particularly.

Mr. BYRNES. We didn't give you what you wanted in 1967 for the Teachers Corps if I recall correctly.

Mr. SCHULTZE. That is correct, not completely. All of these are relatively small in terms of money. They do not involve large amounts of money.

Mr. BYRNES. We still spent \$2 billion more than you wanted us to spend, but we didn't spend enough.

Mr. SCHULTZE. That refers to the impact of authorizations and appropriations by the Congress last year on expenditures. A lot of that we didn't spend. I am not saying we spent that much more. I am saying what the situation would have been if we carried out the final result of congressional action.

Mr. BYRNES. I am wondering why you don't seek the help of Congress before these appropriations bills are passed. Why put the entire burden on the Departments?

Mr. SCHULTZE. I am saying, Mr. Byrnes, in a number of areas the Congress can clearly help us. I am not suggesting they can't. All I am suggesting is that it is a matter of judgment—and I admit it is judgment—that if we want to get the cuts, the way to delay and make sure we don't get the cuts, or at least get less of them, is to send up in the middle of the appropriation process a whole new list of appropriations.

Mr. BYRNES. But we have to act on a tax bill. You say, "wait and we will show you some expenditure reductions." So far, I haven't determined where the actual cutting is going to take place. You simply indicate that you hope to do it. After Congress gets through, you are going to tell the department not to spend all the money Congress gave them.

Mr. SCHULTZE. Except it isn't that vague and it isn't that much of simply a hope in that sense. It isn't a question of just telling the departments not to spend so much money. This involves setting specific targets and going through the appropriations, account by account and line by line, and reevaluating and cutting them.

Mr. BYRNES. You are going to cut \$2 billion.

Mr. SCHULTZE. Our target is actually slightly over \$2 billion. I can't guarantee down to the decimal point exactly how much we are going to make of that. We are going to aim for \$2 billion plus. That is our target; yes, sir.

Mr. BYRNES. I checked with some of the members of the appropriation committee this noon, and they are under the impression that the House has not cut the appropriation bills by at least a billion dollars. Now, of course that could be restored in the Senate. I know that.

Mr. SCHULTZE. Let me elaborate on that for you, if I may, Mr. Byrnes. Let me break just the House action for the moment down into two parts and appropriations, civilian and military.