There is nohing that you have stated so far that covers the area that President Johnson is talking about. When he went on television and talked about riots, he made a very fine statement for the first 5 or 10 minutes that riots should not be tolerated. But then he turned around and vented his spleen at Congress for not voting more of the programs.

Now he was, in effect, saying that Congress was not spending enough money or appropriating enough money or was not liberal enough in enacting some of these programs that would curb the riots. These are the programs that my people are talking about, programs that are being conducted over here in Washington right now, ones where they employ former convicts and agitators, people who go out and harass the police, giving them positions of great responsibility and high pay. These are things that people resent.

I believe if you come forth with items where you would be making cuts in those areas, and I realize when you say $20 billion in an area where cuts could be made, I don't think we have to cut $7½ billion, I think the mere fact that we were cutting back and not rewarding these people for not going to work, I think this would gain the support of the people we represent.

Mr. SCHULTZE. Could I make several points with respect to that?

First, you are quite right, you can't take $21 billion and take $7½ out of that. I have said before, in terms of a specific number, that we are aiming to get $2 billion out of that.

Point No. 2, of course you are aware that this committee itself has been looking at the whole welfare system, and one of the items as I understand it—I am not fully familiar with the committee's bill, but I believe there is a major emphasis on work and training for welfare cases which I think is really the direction in which to go.

Third, and I am sure we will disagree to some extent on the emphasis here, but it seems to me in terms of riots and in terms of the problems in our cities one has to take an approach, as the President has done, which is a blend, on the one hand, of firmness and, on the other hand, realizing that there are some serious problems to which we must give attention.

I think what we are facing now is a very difficult problem of balancing out our fiscal requirements on the one hand, and thereby the need for expenditure cuts, with a careful attempt on our part to place those cuts in the lower priority programs. You and I may disagree on what some of those lower priority programs are. But our aim here is to balance off, on the one hand, what we want to do in terms of the problems that the American people are faced with, the specific problems in the cities, and, on the other hand, the inflation problem that we are faced with.

It is a difficult thing to do, but we are going to do it.

Finally, it seems to me with respect to the particular program you are referring to in the District of Columbia, it is not my bailiwick, but I think one has to think about the fact it is a lot better to have people doing constructive work in a situation where they can do constructive work than to have them footloose and creating more trouble.

Mr. BROYHILL. There is no question along that line. I think the reason for that, Mr. Schultze, is that here is possible the primary difference in the philosophy. That is the Republicans are not as com-