

Government operation. One very obviously is a nonprofit organization for the so-called benefit of the people of the entire country.

Mr. GULLANDER. But you asked where the cuts should be made and I said I think you should examine all of them, and the priorities have to be determined by this body, your fellow Congressmen, and by the administration.

Mr. GILBERT. Of course you realize you have these tremendous problems within our large cities and even our smaller cities. I don't think you would suggest that we cut back on these domestic programs to help these cities.

Mr. GULLANDER. Let me say this: That we have two responsibilities to these cities. One is to solve the immediate problem and the other is to make sure that we don't start an inflationary spiral which will damage the citizens who are living in these center core cities more than anybody else. So in an attempt to cure what the problem is today let's make sure we don't create a worse problem for those very same people in the future.

Mr. GILBERT. How do you feel that we are going to create a bigger problem for these people? Are we going to cut back on their spending of the moneys they need to rebuild these cities?

Mr. GULLANDER. The inflationary spiral would increase the cost of everything they have to buy and reduce their ability to spread their income adequately.

Mr. GILBERT. We still have to spend money to rebuild these cities no matter how you are going to cut it, no matter how you are going to slice it. The mayor's conference just in the meeting the other day said that millions and billions would have to be spent to get rid of our slums and ghettos.

Mr. GULLANDER. We have to recognize we have three levels of government: local, State, and the Federal Government, and it is the responsibility of everybody. We also have to recognize that this is a responsibility of the citizens of the United States and they can't push the whole burden off onto government and the people themselves have to become involved and not lean more heavily on government, and this includes industry and industry management which is moving in this direction.

In other words, what results for the administration and this Congress is a question of priorities. If you want to spend it on the urban problem, then you better examine more carefully other legislation and cancel some obligations.

Mr. GILBERT. In other words, you disagree with President Johnson that our economy is healthy enough to both spend for the war in Vietnam and for our domestic spending.

Mr. GULLANDER. I think we have to learn that when we look at a new African nation we see a very elementary society and we recognize very readily there is a limit to what that society can do for itself and everybody can understand it.

The same applies to the United States. We are a tremendously huge society, a great big economic machine, but there is a limitation as to what you can do and it requires priorities. We say in the administration of an African country, "You ought to spend your money on agriculture rather than for your presidential palace," or for some other government activity. We have to make those priority choices here as citizens and recognize that this country can't do everything.