

Chairman PROXMIRE. Now, that alone, of course, would still mean we would have a big increase in Federal spending resulting from Vietnam, the national defense factors associated with that, and with social security. Can you suggest any other area where we can reduce spending?

Mr. BURNS. This is a very difficult question, as you well recognize, Senator, and in making my suggestions, I inevitably will be reflecting my own prejudices and preconceptions, as well as the economic knowledge that I possess.

I am inclined to believe that a substantial sum of money can be saved on our agricultural price-support programs. I am inclined to believe that we would be better off if our space program were cut back substantially, and not by the very small amount the President has recommended. I am inclined to believe that we could save some money on public works programs, though I might be embarrassed if you asked me to specify details.

I am inclined to believe that our antipoverty program is proving wasteful, and that some money can be saved in that area. And as I look at the actual world and our finances, I am inclined to believe that some money can be saved in the defense program itself.

There are some military bases around the country that perhaps are no longer necessary, and I have grave doubts about the wisdom of retaining so large an army as we now have in Western Europe. This is a drain on our budget, and it is also a burden on our balance of payments.

In short, I think money can be saved. It will not be easy for the Congress, because of the push and the pull of different interests.

I have given you a list of particulars. If I knew more, the list would probably be longer. Other witnesses will give you a different list. This, I think, is a political question that has to be worked out by a process of compromise.

Chairman PROXMIRE. I think that is a very specific and helpful list. Would you agree, however, when you talk about cutting back the antipoverty program, that the manpower training aspects of this, while I suppose we can administer all of our programs more efficiently, and this is a new program, a lot of money and a lot of people are involved, it is a very difficult program. Would you agree or disagree that this kind of training is helpful in cutting down—let me put it this way—this kind of training tends to be deflationary inasmuch as it tends to bring people into the labor force.

It trains people in skills which are needed, and it means then, instead of being a drain on the economy and being on welfare, and absorbing Government spending, they contribute to the autonomy and pay taxes. Isn't most of the antipoverty program designed around this, whether it is Headstart, which has obviously a very long period before your kindergarten children are working, or the Job Corps program, which has a much shorter period of time—

Mr. BURNS. Senator, I am and have been consistently over the years sympathetic, even enthusiastic, about training programs.

I have the impression, however, that we have a large number of training programs at the present time, poorly coordinated and very costly. I would be surprised if we could not get much larger substantive results at smaller expenditures.