

of \$20 billion. Only \$22 billion of the \$75 billion defense budget is connected with Vietnam, because they get most of their money outside of the standard budget by supplemental.

So, we get down to the real economic issues that make is possible for you to say, and quite rightly; that at the present time, it looks as though we have got an oversupply.

We haven't got any oversupply at all if we meet the needs. These are some of the problems that we, as legislative representatives for you and our other constituents back home, must make a fight about. I do not think that at a time of crisis you can possibly cut back on a \$20 billion domestic budget, and the forestry area seems to provide a classic example of the consequences of such a policy.

If you want to take \$7.5 billion out of a \$20 billion budget, and what do you save? What do you reduce?—housing, health programs, pollution programs, education programs, all the things that you and I know are vital to maintain domestic tranquillity in this country.

And so, when the administration says you can have butter and guns, too, it is semantics. They are cutting on the butter and not on the guns. They are not willing to stop the spread of these Defense expenses around the world.

But you and I know each other so well that I can speak out of my heart to you as to my point of view. That doesn't mean that I am rejecting everything that you have said, but I am simply saying that to try to segmentize this matter and just limit it to the matter of the log issue, I think, doesn't face the economic realities that confront us. We have got a problem here that comprehends the entire lumber economy in the Pacific Northwest and the housing market in this country. We are going to have to face up to these problems if we are going to protect the prosperity of our people and do justice to the questions before the committee.

But, I want to get to questions and not make a speech. Senator Hatfield, do you have some questions or comments?

Senator HATFIELD. Mr. Chairman.

Mr. HARTUNG, if I read your testimony correctly, and listened to your added comments, am I correct in interpreting your statement to mean that you do not support any restrictions upon foreign exports of logs from the Pacific Northwest?

Mr. HARTUNG. That is correct, at this particular time—until such time as some of the things that the Senator spoke about are corrected. The market is not there, and all we would do now is lay off more people.

Senator HATFIELD. I understand that you, of course, have proposed here that there are such things that the Congress should act upon, like section 13(a), the Fair Labor Standards Act, and other matters, but none of these involve, of course, the question of exporting logs, restrictions, that this committee had heard much testimony on.

So then, again, let me ask you this question: if this committee had evidence placed before it when we finished the hearings, and had all points of view presented which would lead this committee to the conclusion that, with this vast range of evidence, that it was conclusive that there should be some restrictions placed upon Japanese log exports, would you still feel that this was a wrong action?

Mr. HARTUNG. Well, Senator, we are talking about the present time, and we know what the condition is. Nobody is kidding us, what these