

Mr. WOLFF. With the demands being made by Mr. de Gaulle upon our gold perhaps it might be wise to reconsider.

Mr. DANIEL. We are continuing to study that matter on gold.

Mr. WOLFF. There is one other area I think is quite important. The fact that viability of our defense is dependent on the economic health and well-being of defense plants as continuing sources of supply in an emergency.

Has any provision been made for conversion of some of those plants at the end of the Vietnam emergency? Would you have any response in that area?

Mr. LAWRENCE. This is principally the Department of Defense's responsibility. Specifically, the Office of Economic Adjustment in the Office of the Assistant Secretary of Defense (I. & L).

Mr. WOLFF. Well, I cannot agree, since part of your responsibility is providing constant sources for our defense needs and the act provides for your making loans to defense plants to enable the defense establishment to meet those needs, do you not feel there is an area of responsibility as well to see it that these plants remain in good health during a period where we do not need them?

Mr. DANIEL. I would think so. An overall responsibility of encouragement as we have in the same manner worked with industry on other important items of this nature.

Mr. WOLFF. Would you say then that the idea of planning for conversion of these plants to peacetime activity would be an important element for their future as a future source of supply for you?

Mr. DANIEL. I would think so.

Mr. WOLFF. Well, then, why is it that the agency has not gone into the question of conversion?

Mr. DANIEL. Well, it is a matter under which we do not have any direct responsibility. I would like to give that a little more study and give you a better answer after we have consulted on the matter with other members of our staff.

The problem of converting facilities now engaged in defense production has been under study for more than a year in the executive branch.

These analyses have been made by the Department of Defense, the Arms Control and Disarmament Agency and other offices. The Chairman of the Council of Economic Advisers has been given by the President the responsibility of coordinating and reviewing these activities.

Analyses have been made of the impact of defense programs on specific regions, individual industries, and labor.

The Joint Economic Committee has had hearings on the problems and plans for the conversion from military to civilian production ("Economic Effect of Vietnam Spending," vols. 1 and 2, hearings Apr. 24, 25, 26, and 27, 1967).

Mr. WOLFF. I would hope so. Thank you very much, Governor.

Chairman PATMAN. Mr. Griffin?

Mr. GRIFFIN. No questions, Mr. Chairman.

Chairman PATMAN. Mr. Halpern?

Mr. HALPERN. Thank you, Mr. Chairman.

Governor, it is a pleasure to have you here as well as your distinguished panel this morning.

Could you explain, Governor, how the stockpiles of any materials