

Chairman PROXMIRE. It is hard for them to find jobs. But it would seem that if you could put much greater emphasis than you are putting on shifting the expenditures as much as possible out of the public works programs, the highway building programs, and the space programs, and that kind of thing, and much more heavily into the social programs which we have discussed.

Mr. ZWICK. Yes.

Chairman PROXMIRE. It is not just a matter of protecting negatively.

Mr. ZWICK. Surely.

Chairman PROXMIRE. But moving ahead.

Mr. ZWICK. I understand. It seems to be there are two issues involved here. One is a question of priorities and how different individuals rank the priorities of these programs, and there are obviously disagreements on that issue.

And then the second issue which I would argue today—

Chairman PROXMIRE. I am talking not about priorities, about political priorities or any other kind. What I am talking about now is the economic impact.

Mr. ZWICK. All right.

Chairman PROXMIRE. Where you have heavy unemployment among disadvantaged people.

Mr. ZWICK. That is right.

Chairman PROXMIRE. With lower skills on the one hand and you have a shortage of personnel in the other areas. It would seem from an economic standpoint, disregarding all the value judgments which I think also come down hard on the side of the social programs, that we should shift pretty drastically and dramatically.

Mr. ZWICK. The point I would make I think is supportive of what you are saying, but maybe doesn't lead to the same policy conclusions, namely, if you look at the rate at which NASA has come down from an expenditure level of well over \$4 billion last year—

Chairman PROXMIRE. Were they at their high over \$6 billion?

Mr. ZWICK. Yes, at one point they had gotten up to \$6 billion. They were up to \$6 billion in expenditures and we got them down to \$4 billion, with budget authority currently estimated at \$3.8 billion. So, you have had a tremendous swing. The NASA press release, which they put out on August 8 saying how they would operate under this reduction, talks about reducing civil service employment by 1,600, and contractor support effort by 2,000. This does involve some of the same people that you are talking about giving jobs to, and does result in local economic impact. Even though in the total NASA effort this is a small statistic and in total employment figures it is small, I can assure you this is causing an economic burden in particular geographic locations. There is an issue of an orderly transition here, and I think we have brought NASA down very rapidly.

You are shutting down production lines. You are terminating the SATURN 5 production line. You are taking fairly drastic steps. It is easier to say cut out a billion dollars in the abstract—and I think we are getting from the abstract on this \$6 billion cut now to the specifics—than it is when you look at production lines and people and facilities and so forth.

So I think we have had a fairly dramatic decline, and if you went much more rapidly, I think you might even be hurting the case that