

longrun productivity contributions to make, both in terms of contributing to the greater rate of growth of our economy as well as to social and political progress and stability.

The relevant numbers in this regard are quite revealing. Of the \$7.1 billion projected increase in nondefense outlays for fiscal 1969, \$4.2 billion represent increased social security and medicare payments. This leaves \$2.9 billion. Of this, interest and pay increases amount to \$2.5 billion, leaving less than half a billion to be accounted for out of total Federal outlays of over \$186 billion.

And of the almost total \$7.1 billion nondefense budget outlays we have accounted for, almost all of these increases and outlays are caused by the past price rises that have taken place in the economy and represent an attempt to maintain the position of these various groups in real terms.

Furthermore, cuts and reforms from the original budget proposals of last autumn represent reductions of \$2.9 billion including cuts of roughly a half billion for NASA, atomic energy, and other advantaged technology-, space-, or defense-related activities, and another half billion in connection with support to education.

I will not dwell upon the former, since I have already discussed its implications, nor will I discuss the latter since I am debarred by potential vested interest considerations.

But, the numbers alone, and their rough breakdown, provide a clear outline of the basic relationships. Certainly a cut in the budget is theoretically better than a tax increase of the same magnitude. But my careful reading of the August budget review hearings indicated to me that it was the representative of the Bureau of the Budget who was carrying the load of analysis and response to general challenges.

I have not heard nor seen from this Congress or this committee, or any other committees of the Congress, specifics as to where the budget cuts could be made. I have not seen a list of items for cuts that have been recommended or proposed to the Bureau of the Budget and which proposals have been turned down or not followed.

The rituals that I have observed being performed remind me of the hostility games that I see in the toy shops. The hostility games provide the opportunity of throwing darts at your favorite public figures. Various committees of the Congress have been playing their own hostility game. There are two groups of players engaged in the game. Those whom I shall designate wearing the blue jerseys continuously ask for cuts in the budgets but do not specify where, how, or when. The other group of players, whom some see in green jerseys, criticize the administration for not spending more on its Great Society programs.

And yet, these have not provided responsible leadership in helping to make a case for a tax increase that would be necessary to finance the expanded programs which they are urging.

The hostility dartboards in the toy shops may perform a useful function in relieving some frustrations growing out of a complex urban society and uncertainty in a world in which the growing pains of readjustment of power distribution take place in international society. But the Congress runs some great risks in playing its own dart game. These risks are economic and security risks for the Nation, and represent political risks for Members of Congress.