

you had to have a single locus in mind for this responsibility, I would say that it does belong to Secretary Kennedy.

Representative REUSS. I am disturbed by the fact that I had to ask the question I did this morning. I also question whether the whole matter of balance-of-payments accounting is as amorphous as you suggest. Certainly, in the biggest single item, the military, if the military is capable of figuring up the domestic budgetary cost of our 210,000 troops in continental Europe, which comes to around \$6 billion a year, I believe, it could also figure up the foreign exchange costs, which come to around a minimum of a billion and a half a year.

Mr. MAYO. Estimates could be made.

Representative REUSS. These figures are never projected in the foreign exchange field, yet if anything they are more critical than the domestic budgetary figures.

Mr. MAYO. I understand the problem.

Representative REUSS. We can get into an awful lot of trouble with a \$4 billion balance-of-payments deficit, whereas frequently we can accept with equanimity a \$4 billion domestic budget deficit.

I wanted to raise this because I think this committee and you, sir, have to think about it. I am not satisfied with our present method of projecting our balance-of-payments position.

I have one more question of, I suppose, a philosophical nature. There is much talk in the air among citizens and taxpayers about our national priorities. A great many people think that the swelling military spending, the supersonic transport plane, the space program, agricultural subsidies to large corporate farms, could well be reduced and more spent on such things as education, particularly in slum areas, manpower training, better air and water pollution control, for example. Under the Nixon administration, whose job is it to set these priorities?

Mr. MAYO. In the last analysis, this is the job—the biggest job in my book—that the President has himself. It is up to me to advise him on the figure side. On the program side, he has set up, as you know, the Urban Affairs Council. He has strengthened the National Security Council. He is working closely with his Science Adviser. There are three who would help him on the program side come to this basic decision of allocation of national resources.

There is no place short of the President where this can be completely focused. Perhaps my role is greater than that of any other single person. But this is a responsibility of the President himself.

Representative REUSS. Thank you.

Senator PROXMIRE (presiding). Mr. Brock?

Representative BROCK. Mr. Mayo, I have enjoyed your remarks. I sympathize with you. It is very difficult to respond to some of these questions in the very short time that you have had to analyze the budget. But where we can get some answers, it would be of some help to us.

Mr. MAYO. Of course.

Representative BROCK. I am concerned about this fiscal 1969 budget. I am concerned when I see the figures that we spent at the rate of, I think, \$99 billion in the first 6 months, and have had receipts of somewhere around \$90 billion. And it is a little hard for me to understand as a businessman how you can end up with the total figure of only \$182