

CONGRESSIONAL REVIEW OF THE BUDGET

8 March 1955

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INDUSTRIAL COLLEGE OF THE ARMED FORCES

Washington, D. C.

Honorable George H. Mahon, Congressman from Texas, was born in Haynesville, Louisiana, 22 September 1900. He received his B. A. degree from Simmons University, Abilene, and LL. B. from the University of Texas. He has served as county attorney and district attorney. In 1934 he was elected to the Seventy-fourth Congress and has been reelected to each succeeding Congress. He is a member of the House Appropriations Committee and Chairman of the Subcommittee on the Department of Defense Appropriations. This is his first lecture at the Industrial College.

## CONGRESSIONAL REVIEW OF THE BUDGET

8 March 1955

GENERAL NIBLO: Our subject this morning is the "Congressional Review of the Budget." In a time such as ours, the Department of Defense is somewhat limited in its actions, depending upon the appropriations it receives, as approved by the President and provided by the Congress.

Congressional control of appropriations in the final analysis means control of military policy. Congress affects this control by a careful review of our budget by the Appropriations Committee.

Our speaker this morning is a member of that committee. In fact he is Chairman of the subcommittee in charge of the appropriations for the Armed Forces. That is the committee that does the work on our budget. He has had considerable experience in military appropriations. In fact, he has over 20 years' experience as a member of Congress. He is well thought of by all the four services.

It is a personal pleasure, for me to present to you the Honorable George H. Mahon, Member of Congress from the 19th District of the Lone Star State.

MR. MAHON: Good morning. I was invited to make this talk last fall sometime. The letter came to my office and I was away at the time. Finally my secretary got me to stand still long enough to say yes or no, and I said "Yes."

Unlike the military people, I didn't begin preparation last fall for this talk. I began preparation yesterday. This morning I sat down and wrote quite a number of notes, and I have no idea how this time is going to work out. But as I understand it, I am supposed to filibuster about 30 or 40 minutes. Then we have a question period. Please get your very toughest questions for the question period. The more embarrassing they are, the better.

The members of the West Texas Chamber of Commerce, representing about half of Texas, are having a meeting on the 28th of March. They are having a congressional forum, and six members of Congress



I think you might be interested in what the Appropriations Committee is like, since it screens all military budgets. In 1941 a story was written about the Appropriations Committee. I see in the story that the present Chairman made a speech in the House which was reprinted in the history of the committee. In this history in 1941 it was stated that the then Chairman, Mr. Taylor of the State of Colorado, had presided over the committee at a time when approval was given, and there had passed his legislation to appropriations totaling 30 billion dollars. That's an interesting commentary. It has not been so many years since 1941. The bill which I shall present in late April or May to the House will carry--just the one bill--an appropriation of more than the 30 billion dollars.

The appropriations of the Government, prior to the end of the Civil War--1865, were handled by the Ways and Means Committee. Tax legislation and appropriations were handled by the Ways and Means Committee of the Congress. But at that time it was decided that one separate committee in the Congress, in the House of Representatives, should handle all appropriations.

The first chairman of the Appropriations Committee was a man well known, Thaddeus Stevens. Well, the Appropriations Committee wielded its power with a free and easy hand and irritated the members of the House to such an extent that finally, in 1880, the committee was stripped of some of its power, and some of the legislative committees also handled appropriations.

But along came the Budget and Accounting Act of 1921, and since that time all appropriations are handled by the Appropriations Committee, without exception. The budgetary procedure was set up, and the General Accounting Office was set up. That was an important date--1921.

Then again, in 1950, legislation was passed to make more effective the audits of the General Accounting Office of the Government. The Constitution provides that all tax measures, all revenue measures, must originate in the House. There was a contest in the Congress between the House and the Senate in the early years of the Government, the Senate wishing to initiate appropriation measures from time to time, because the Constitution actually does not mention appropriations. But the House has maintained through the years its prior authority to originate, not only the bills on revenue, but also the bills on appropriations.

One thing that probably helped the House to maintain that position was that one committee handled both revenue measures and appropriations. In a way, it might theoretically be better for the revenue raising group in the Congress to also handle expenditures. There might be greater possibility of achieving balance in the budget. It would be better if there were coordination.

There are 50 members of the Appropriations Committee--30 of them are Democrats, when the Democrats are in power, and 20 of them are Republicans. When the Republicans are in power it is the other way around. Mr. Cannon of Missouri is the Chairman. I happen to be number two man, by reason of service. Mr. Taber is the ranking Republican, and would be chairman again in case the House should have a turnover and Mr. Taber should remain.

This committee of 50 members cannot sit as a unit very well and screen budgets, so it is broken down into 12 or 13 subcommittees. I have a list of them here. I will leave them here if they should be of any interest to anyone.

The subcommittee that we are going to talk about, and the work we are going to talk about this morning, is done by the Armed Forces Subcommittee, or the Department of Defense Subcommittee. It is big, in the sense that we have 15 members. It is the largest subcommittee, and we have broken it into three different groups--panels, we call them. One panel considers the Army, one the Navy, and one the Air Force.

We have just completed four weeks of hearings, with the 15 of us sitting in on the top hearings, for all the forces, beginning with secretary Wilson, Admiral Radford, and others, and listening to the present Joint Chiefs, the Secretaries of the services, and so on. We have had a month of that. Now we have broken into the subpanels and are going more thoroughly into all the budget requests. We have had the overall picture. That is general, that part of the picture.

The committee on appropriations meets at 10 o'clock each morning and adjourns about 4:30 in the afternoon, with time out for lunch. There are some months when I don't spend 15 minutes, I suppose, on the House floor. It is not a very good situation, but there doesn't seem to be any way of avoiding this type of situation.

As you might imagine, when a hearing begins somebody makes an opening statement. Then, after this opening statement, questions are

in order. The chairman asks questions. Then he turns to the next ranking Democrat, if the Democrats are in power, or to the Republican, if the Republicans are in power. It goes down the line on the Democratic side, and then on the Republican side. Everybody has an opportunity to ask questions of the witnesses.

At this stage I believe I would like to make a little presentation of what we work with. It all begins here with the budget (holding up the budget). Captain Gerwick over there told me he had exhibited this budget. I think it has 1,234 pages. This is the President's budget (holding it up). This is always submitted in January of each year. It contains the budget not only for the military but also for the other departments of the Government.

Then when we begin work on the committee, we have this committee print of the military bill for this year (holding it up). It says, "Department of Defense Appropriation Bill 1956--Subcommittee Print." That gives every item of appropriation. There's military personnel, reserve forces, Navy military procurement, ordnance facilities, and so on. These data show how much was appropriated last year and the year before, how much was spent, and so on. It gives the general background. This is before us all the time while the hearings are in progress.

The budget is the basis. We begin with that. The hearings are printed. Now, here are the printed hearings on the bill (showing them) last year, on the 30-billion-dollar appropriation bill. There are about 5,000 pages. I would say that about half the testimony is off the record. It takes about three months for these hearings to be held, and you can imagine the drudgery incident to this sort of work. There's a compensation to it. It is tremendously interesting. The hearings are released when the bill is reported to the House--maybe earlier.

Then the bill gets down to about this size (holding it up), because all of these supporting data are subtracted, and then there is a committee report when we are finished with the bill. The committee report accompanies the bill. This is in simple language, telling what the bill is all about.

Then it goes to the Senate. The Senators have a bill; then they have a report. Then we have a joint meeting between the House and the Senate conferees and iron out the differences.

Here is the report on the House bill last year, 51 pages of report, giving in a nutshell what the bill is all about. The average member of Congress would not have the opportunity, unless he is a member of the committee, to have a comprehensive idea of what the bill is about, unless he had guidance. He probably would not read these 5,000 pages.

There you have that part of the situation. Then it becomes a public law, after it goes to the President and it is signed. Here is the public law of last year (showing it). In other words it begins here (budget) and comes out here (public law). That's the way it works.

During the hearings these witnesses come before us, and they make these long presentations of why they need the money. We used to have a Congressman who was always asking, "Where are you going to get the money?" It was a difficult question, of course.

When the military people come up to present their budgets and their statements, in addition to their regular statements, they present a book of justifications. There are dozens of these. This is just one on one item which I picked up (showing it). We are going to consider this in a week or two. This is maintenance and operations of the Air Force. That gives a breakdown of maintenance and operations. Maybe we will talk about maintenance and operations in the committee from 10:00 to 12:30; maybe from 2:00 to 4:30; maybe for a week or two. That is just one book of justifications. It would be a waste of time to show you the whole stack on all the bills.

I sometimes wish our constituents knew about these things. They don't understand, and it is very difficult to ever explain to them, just how arduous, and, in my judgment, just how important these hearings are.

Now, the markup is a very important action. We get that committee print and we start turning through the book to see how much we are going to give for retirement pay, how much for military personnel, and so forth. Somebody says, "Well, I think they didn't spend all the money they had last year. Let's reduce that, say, by 10 million or 50 million dollars." Somebody else says, "No; it is a different situation this year. If you turn to page so-and-so of these hearings, you will see that Captain So-and-So said this and that." After a series of arguments we agree on a figure. Sometimes it is an arbitrary figure--the difference between the contending factions. We go through the whole thing. It takes a few days to mark up this bill.

As I say, it is a sort of happy-go-lucky procedure, in a way. It is not very scientific. That's the way democracy works. Of course those who are in the hearings have many hours of background and many years of experience, so far as that is concerned, and ordinarily reductions are made in any budget, military or otherwise.

So, the bill being so short in its final form, you wonder how does Congress enforce its bill. For example, it says "maintenance and operations"--just a few lines in the bill. It says "procurement of aircraft." How do we see whether they buy what they said they were going to buy? The bill is not very specific as to detail. There is discretion within broad categories. If you appropriate money for so many types of planes, how are you to be sure that the Air Force representatives buy the planes that they said they needed when they appeared before you? The services are very honest in that regard. Whatever they justify before the committees, they generally carry out. If they find it impossible to carry out this plan, they come to the committee and say, "Listen, we have decided that this plan for the procurement of X aircraft is going sour. We are thinking of transferring these funds to the procurement of Y aircraft." Of course Congress yields in technical matters of this sort. The services have something they want to reprogram. They come back, and Congress knows about it and usually agrees to it.

You say, "Why do they do it?" They have authority to do otherwise. There's always another year, and they are going to be looking across the table at some of the same people. Among other reasons, that would be one of the reasons why.

The budget this year is not going to be very controversial. There is one item, an additional supercarrier, about which witnesses before the Appropriations Committee have been huffing and puffing. There is nothing in the bill about the supercarrier. The way Congress can defeat the proposal for the supercarrier would be to write in the report--not even in the bill--that it is understood that the Congress forbids the construction of an additional carrier out of funds provided for ship construction. That would be effective, even though it is not in the law.

Now, if someone sees that the committee has put this carrier in the bill--they haven't even tried out the Forrestal yet; it will be next April before they have a service test, probably, and before it will be adequately tested, of course, it will take years--and he wants to knock out the new carrier--How does he do it?

He gets up and says, "Mr. Chairman, I wish to propose that no funds provided in this bill shall be used to begin construction on an additional supercarrier." That would be effective if approved in forbidding the construction of the supercarrier.

I would say, however, since I mentioned the supercarrier, that there seems to be little doubt that Congress will go along with the Navy on the supercarrier program. A fifth supercarrier would not be too many carriers. Everybody knows a carrier is highly vulnerable in this modern age, and I think everybody knows the Navy has great confidence in it, and should. Everybody knows that a land base is also highly vulnerable in this age. So I don't think there will be any doubt that the supercarrier in the budget will be approved. We have had many battles over the supercarriers in previous years, but there doesn't seem to be any great controversy in prospect this year.

Then the bill is taken to the House for debate. This takes two or three days, depending on the interest of the members. The average member is so busy with other matters that he has little time to inform himself about military appropriations. The members of the committee have so much more information than the other members of the House that this committee of 15 writes the military appropriation bills of the country, so far as the House is concerned; and one group in the Senate does the same. It is a relatively small group of men who actually write the bill.

It is a rare thing that the House will change the bill which has been written by the committee. Of course there can be cases where, if the committee goes too far afield, it will not be supported by the House. There's no doubt about that.

An item which is often misunderstood is the business of appropriations versus expenditures. The money we appropriate may not be spent for three or four years. Some of the funds will be expended in the first year, and maybe two-thirds will be carried over into other years. The question arises: Why appropriate the additional money at all? Why don't you wait until it actually is required for expenditure? We used to do that. We would appropriate so much money and authorize contracting for certain items for additional funds. When we got the authorizations and the appropriations together and tried to carry them from year to year, with the authorization this year and next year an appropriation to cover the authorization, there was so much confusion that nobody could very well tell how much the program was costing us.

If we want to include the supercarrier, we will appropriate 200 million dollars for the supercarrier and it won't all be spent for five years or so. This way we know what we are doing. Congress always has the power of review, and that's the way it is handled. Sometimes at the end of the year the Defense Department will have on hand unexpended funds as high as 60 billion dollars. I have had many letters asking me why Congress was so dumb as to appropriate additional money for the Department of Defense when it already had at the beginning of the fiscal year 60 billion dollars that it had not spent. That's a pretty good question if you don't understand how the thing works.

Then we have this sort of question: If they don't obligate the money within the year, why should you provide funds they don't even obligate? Well, let's take aircraft. You obligate funds, if you get all the money for the aircraft at one time, for the frame now. It may be several months before you buy certain electronic gadgets, and many more months before you buy some common-use items; so it may be three years before you put it all in one package. That's the way it works. It gives the military and the Congress and the people a better view of what is really happening.

Occasionally somebody will say: "Well, isn't it a shame that all this money is appropriated and carried over and not spent this year, and stays in the Treasury drawing interest? It's a terrible drain on the Treasury." We collect about 60 billion dollars in taxes, we spend more than that. We are going in the red. If Congress should appropriate 500 billion dollars today for a program, it would not be in the treasury. We do not have that much money. The Treasury eventually would have to go out and float bonds to get the money, or part of it. The Treasury tries to keep enough money on hand at all times to pay the bills of the Government, and it gets that money by taxes and by floating bonds; but, regardless of the amount of appropriations made, the money is never provided until almost the time the money is needed. So, by appropriating money in advance of the time it is used, we in no way incur carrying costs, interest charges, and so forth, on the full amount of the money.

What is the difference between this committee on appropriations for the Armed Forces and the legislative committee on the Armed Forces? The legislative committee authorizes the shipbuilding program; it passes the draft act, or sponsors it. It has to do with legislative matters, but it cannot make an appropriation of one dime to furnish the cost of national defense. It can authorize it, but the appropriations have to come through the Appropriations Committee.

A couple of weeks ago we had a little tempest in a teapot because somebody introduced a bill on President Eisenhower's program on roads and the bill said, "There is herein appropriated so many billions of dollars for this program." That was the red flag in the face of the Appropriations Committee--the committee on roads appropriating money! Well, we had quite a contest over that, and a motion was made to have the bill referred to the Appropriations Committee where all appropriations are handled. Yet the Appropriations Committee is not in the business of writing road legislation; that would be ridiculous. We don't write road legislation. What actually happened was, we modified the bill. Instead of saying the road bill, "There is hereby appropriated certain money," we said, "Certain appropriations are hereby authorized, and the appropriations will be screened and provided by the Appropriations Committee." It is a system of checks and balances, which is no doubt good.

Now, let us talk a little about politics in the committee. We have a very conscious country when it comes to politics, although we don't have a very high voting average. There's very little politics in the Appropriations Committee, military or otherwise. It is surprising--you can hardly tell whether a man is a Democrat or a Republican, which I think is a good thing. Occasionally there is some politics. I can give some examples.

The 80th Congress provided legislation authorizing the 70-Group Air Force, called Wings now. President Truman at that time did not request funds to implement this program; so Congress put in 800 million dollars for aircraft procurement which had not been requested by the Department of Defense or by the President. Well, we appropriated the money, but what happened? The President himself impounded it; he didn't use it. The next year, when they came with the military budget they said, "we already have this money you appropriated last year. You can apply it for this year." We can appropriate money but we can't make executives spend it for the purpose for which it was appropriated, even though the Constitution gives Congress the authority to raise and equip armies. That's the way it works out.

Then there's this fight about General Ridgway and the Army. General Ridgway is unhappy because he feels that the Army is being too severely restricted and reduced; and there are members of Congress, particularly Democrats, who are trumpeting about the country that we are going to put the funds in there so the Marines

won't have to be reduced and so that Matt Ridgway's Army can have the same military personnel.

I am not going to join in this adventure. In the first place, I am going to admit that nobody knows with complete certainty just what the figures ought to be. President Eisenhower is a military man. If we appropriate the money, there is no way to put the men in uniform. It would probably happen like it did in Harry Truman's time; those funds would not be expended. So it is a pretty interesting area there. I am not sure what the answer is. That is probably what would happen.

President Truman's budget for the 83rd Congress was much higher for the military than President Eisenhower's budget. President Eisenhower cut the Air Force, the darling of a lot of people. The Air Force cut was 5 billion dollars, but it was pointed out that it had vast unexpended funds for aircraft and what not. They had shortened the lead time; it was contended that they did not need the money. The late General Vandenburg was carrying the ball for the Air Force. We had quite a bit of politics in that scramble. It was probably a wholesome thing to air out the issues involved.

When one administration goes out and another comes in, you have a peculiar circumstance. Ordinarily the Congress does not get politics mixed up with national defense to any very great degree.

We got into the Korean War when we were not very well prepared, as you know. There was not so much politics over our state of preparedness as between Democrats and Republicans. For one thing, President Eisenhower, who had acted as chairman of the Joint Chiefs and who was at Columbia in 1950 made a speech in which he said, along in February or April of 1950, just shortly before the outbreak of the Korean War in June, that he was pretty well pleased with the then 14-billion-dollar budget. Except he thought some changes ought to be made, to have about a billion dollars for additional research and development in the Army, and for some aircraft, and so on. So Congress provided those additional funds, and President Eisenhower, then the President of Columbia University, wrote a brief letter to Louis Johnson, the Secretary of Defense at the time, and said, "Dear Louie: I know you are making plans to put in this additional billion dollars. This is precisely what I think we ought to do at this time." He signed it "Ike." Well, that was put in the congressional record, so we all

had to admit that we had to share to some extent the responsibility of our unpreparedness when the Korean War came.

If you are ever called as a witness before the Appropriations Committee, which some of you will be--I think you may find yourselves involved in operations "heartbreak." I suppose all democracies are rather loosely run. You encounter a lot of lost motion and a lot of duplications and nonsense. Yet it is the best system we have ever devised to carry on the Government of a free people.

You find that members of the House and the Senate are rather jealous of their prerogatives, their power over the purse, and so forth. You find, particularly in the Senate, that maybe you talk all day trying to explain a point. About the time you have it explained another senator trickles in. You explain it to him. He goes out, because he is on many committees, and another one comes in and asks you the same questions. You are not very happy proceeding in this way, going over and over your point, explaining it to people who were not present when you made the original explanation.

About three days ago I was talking with the chairman of one of the subcommittees and I said, "How are you getting along with your hearings?" He named one of the members and said, "You know So-and-So broke loose with an observation this morning and ran for 45 minutes before I could stop him." The witnesses are supposed to do the testifying, but at times members of the House and members of the Senate have a tendency to do the testifying. That is one of the problems we get into.

There is one thing I have noticed, which is a great credit to the military, and which the military carries to extremes. The military people always take the position that the military is subservient to civilian authority in our country. That attitude I think is right and good. We don't want a military Government or military control of the country. But I think the military people carry it to such extremes at times that they don't stand up on their two feet and insist on getting their story across. I have observed it this year particularly.

Here's a man who asks all manner of questions and who doesn't give the witnesses time to answer him, and these witnesses, much to my disgust, sit there meekly, instead of saying, "Mr. Congressman, you have asked the question. Please let me answer. I insist

that I have the opportunity to answer." That is one problem the witnesses have. They are asked a lot of questions and don't have an opportunity to answer. From time to time I have for years tried to encourage them to answer these questions, regardless of the embarrassments and difficulties which may arise.

I brought this congressional record along (holding it up). It is not quite appropriate at the moment, but I am reminded of this business of civilian control versus military control. When the new Administration came into power in 1953, we had up our first military bill for the new Administration. I made a speech on this bill on 18 February 1953, and among many other things I said in substance,

"This is a new, high-powered team headed by Secretary Wilson, who is a very able man of industry, and the other able men in industry who are in our Department of Defense. We are going to expect real performance from them. We expect great economies."

I shall now quote a part of the text of the record, as follows:

"The problem is cutting military spending without reducing military strength. If I were to write an open letter from the floor of the House this afternoon to the Secretary of Defense and his businessmen associates, I would say to them, 'When you are convinced that economies can be made, national defense promoted, and the taxpayer served, do not let anyone, not even the top brass in the Pentagon, the Admirals and the Generals, dissuade you. In other words, in the language of the current song, "Don't Let the Stars get in Yours Eyes."'"

Later on my words returned to plague me. I stood by General Vandenburg on the 5 additional billion for the Air Force buildup, and I said that the civilian leaders in the Pentagon didn't know what they were talking about, or words to that effect, and that we ought to go along with this additional 5 billion for the military program based upon military recommendations. One of my colleagues got up and read that paragraph of mine on the floor of the House! A witness as well as a Congressman must have a sense of humor and some degree of resiliency.

Now, one problem arises as to your views, when they are contrary to the President's program. It has been a very interesting

thing, this business of General Ridgway, Chief of Staff of the Army, last year and this year. General Ridgway and all the top people in the Army, Air Force, and Navy, with whom I have associated, in my judgment are men of integrity and sincerity. I have great faith in the capability of our military people. Well, Ridgway has been put in an embarrassing position because the law says one cannot advocate programs and expenditures that are not included in the President's budget. In other words officers, when they come to the Congress, are supposed to support the President's program, the budget program. But it is always possible to circumvent that, because the officer is free to express his own individual views if someone opens the door and says, "General Ridgway, do you believe that the Army should be cut by 300,000 men over this period of months?" Of course that opens the gate, and he says, "No, I don't think so." General Ridgway is taking that position very militantly, as you know. He explains he cooperates with the President's program and all that business, but when you ask him for his personal view he says, and that is typical, that he is compelled to give his view, when this personal view is demanded by Congress. I think that's proper. How else would Congress have found out what the feeling of the military people might be? It is a very interesting aspect of this question.

These people who appear before our committees are very interesting. Secretary Wilson is a very capable man of industry and a very capable man in the field of management. He is pretty argumentative when it comes to upholding his position. He is a very interesting man. I told him when he first appeared--"You know what happened to Secretary Forrestal. You don't want to absolutely exhaust yourself in this job." "Well," he said, "you know, Congressman, the mark of a good executive is one who wears a tired look on the face of his assistant."

Last year we were in a pretty hot session with the Secretary, flowing back and forth. I said, "Well, I guess you do get quite worn out with all these controversies and problems." He said, "Well no. I remember the words of Harry Truman. He said, 'If you can't stand the heat, stay out of the kitchen and let somebody else do the cooking.'"

You are going to have a man, McNeil, to talk to you. He is the comptroller in the Department of Defense. I believe he is coming in a few days. He has been there longer than anybody else. He knows more about financial matters in the Armed Forces than anybody else.

He is quite a problem to me. I tell him he has too much to say. I say, "Mac, when you answer the question, stop there and don't say any more, so that we can go on with the hearing." You ask him the simplest question, and there are so many ramifications and facets that he can supply information for hours. I don't say that in any way other than to be complimentary about him. That is one of our problems-- how deep shall we go into a given problem and how shall we budget our time.

A well informed man, a Secretary of one of the services, is this man Thomas. He knows more detailed answers than any of our Secretaries. I don't say that to disparage any of the others. He has worked on this thing so long and has made such a study of it that he has an amazing grasp of detail.

Admiral Radford makes a good witness. I often wonder what best fortifies the military man when he comes up as a witness on the military budget. I would say that he needs to know his stuff, he needs to be well informed, and he needs to be utterly sincere; he needs not to bluff. Some people think those boys down there don't know what goes on. They think they can bluff us. It's amazing how difficult it is to get by with bluffing. I have tried it. It is best to know the answers, and it is absolutely wonderful and captivating for one, when he does not know, to say simply, "I am sorry. I don't know the answer today." There are people who come down and stumble all over the Congress to answer questions. Maybe it is the top Admiral or General trying to answer a detailed question, when he could turn to some Captain or Lieutenant and say, "Will you answer that?" By reason of pride or something, some people undertake to carry the ball 100 percent. It is wonderful when they can do it. Most people can't. That's one of the interesting things we encounter in this business.

Well, of course, Congress is worried about these vast appropriations. Can we continue forever with those vast appropriations? What about our policies? We were talking the other day about air defense operations with General Chidlaw, the head of the Air Defense Command. I said, "The more I hear about this business, the more I am inclined to think that maybe we are in the midst of operations 'futility.'" Well, I really don't think we are, but a lot of arguments can be amassed on that side of the question. It is a very discouraging thing. It seems to me that our military people need always to have a greater horizon. They need a broader view of the world picture.

I have gotten to where I am a little impertinent on occasions. In talking to some of the military people I have said, "Do you read this and that?" I think, while it is hard to find the time, we have to read and study more about these broad policies. I think we have to get out of our field. In fact the military field is ever broadening.

I was talking to Admiral Lowe, Commander of our Western Sea Frontier, last fall. We were talking about our problems, about what the answer was. He said, "By the way, have you read Tom Finletter's book on military power and foreign policy?" I said, "Yes, I read that on the train coming out. What do you think of it?" I thought, of course, anybody in the Navy would not think too much of the book of a former Secretary of the Air Force. He said, "It's a wonderful book. It ought to be a 'must' for everybody. It's a well thought out book." I said, "I know Mr. Finletter. I think he brought this out far better than anyone else could." I wouldn't have read it, except somebody sent me a free copy. It is a fine book. He discussed this business of operation "futility."

The Admiral said, "Have you read the November 'Harper's' magazine about so-and-so?" I said, "No, I haven't." He wrote me a letter and gave me the citation and said, "I hope you will read it." That impressed me very much, to tell you the truth. The Admiral was thinking about the broad aspects of defense.

Well, I think that I have probably filibustered about long enough here. You have been very patient, and I have, of course spoken in generalities. The figures I have quoted have been round figures. It has been very interesting to talk with you. I still think that the main thing we can do is to do everything in our power to see to it that we have the most capable people that we can possibly find in the military forces, particularly in positions of greatest responsibility.

I think it comes down to this--that you have to trust somebody. Congress is a legislative body, and the executive branch is under the President. I don't think you can write laws to bring about good administration. Some laws will help. I think you have to have good men, in whom you can place your trust. That is one of the things that helps us with our military appropriations. If the witnesses, military and civilian, impress us with their understanding and with their sincerity of purpose, and with the industry with which they have considered the problem, if you have faith in them, I think you had best let them hold the reins, and go as far as you can in supporting programs that the economy can stand.

So, gentlemen, it is a pleasure to be here at your school to visit with this group. If anything I have said has been helpful, I will be very much pleased. It has been an adventure to be here with you, out of the committee room, away from all those witnesses complaining about all those billions that the Department of Defense wants. I will be back with them this afternoon.

I wish you good luck in your continued studies.

CAPTAIN GERWICK: Are you ready for questions, Mr. Congressman?

MR. MAHON: Yes, Captain.

QUESTION: What are you doing about correcting the legislation by riders? It seems to me it is an insult to the 50 members of the Appropriations Committee to pass all these bills and then come out on the floor of the House and hear some Congressman, because he has a pet project, have it passed by a rider, or block it all out.

MR. MAHON: Well, we mentioned earlier that the Appropriations Committee is supposed to be the committee where we appropriate money; the Legislative Committee, headed by Mr. Vinson, writes bills up there in the House and Saltonstall, in the Senate--now it will be Dick Russell.

The Appropriations Committee, as you indicate, is not supposed to pass legislation, but that is one of the principal things we do, it appears. There in the back part of the bill you have the language--and there's all manner of language put in there. We have gone to the Legislative Committee and said, "Get these things enacted into law, so that we won't have to carry them from year to year." We have carried many a rider in committee. You know that often the Senate puts on a rider. We certainly look with a jaundiced eye at these riders that are tacked on occasionally on the floor of the House and the Senate, but you can't keep a legislative body from working this way if the majority approves. There's your problem. It is not a good legislative practice.

QUESTION: Does the question of unification of the services enter into the hearings before the Appropriations Committee?

MR. MAHON: When I became a member of the Appropriations Committee in 1940, there was a separate committee on appropriations for the Navy and a separate one for the Army, which included the Air Force. When we passed the Unification Act, we said, "Why have unification in the Pentagon, or attempt to have it, and not have it in Congress where we passed the Unification Bill?" So Armed Forces appropriations were consolidated under one subcommittee and I became the chairman of that subcommittee. That's the way I became chairman of the subcommittee for military appropriations. I think we have a fine spirit of unification. There's some of this rivalry, but it is very limited.

You heard me make a crack about the Admiral reading an Air Force Secretary's book, and so on. I am very much encouraged by the spirit of unification that you find. Congress tries to encourage it and I am sure people in the Armed Forces are seeking to encourage it. It is not too easy. We don't want them to think completely alike about everything. I think some of these rivalries are healthy, so long as we don't have duplication and waste.

QUESTION: Would you care to comment on this matter of the item veto by the President?

MR. MAHON: Well, as I said earlier about the President, we can appropriate money but we can't make him spend it for projects in which he does not believe.

Now, in regard to the item veto, I would not be in favor of it. It has some good points all right. Maybe some pet project by somebody has gotten in there which should not be in there. It is not an item veto which the President now has, but the Executive can decline to spend the money for certain things. He has considerable veto. It is a peculiar question. A lot of people have different views on it. Right now, if I had to vote, I would vote against it.

QUESTION: Sir, you made a statement, as near as I can remember it, that ordinarily reductions are always made in the amount requested. They get only a certain percentage of what they ask, on the idea that they always ask for more money than they need.

MR. MAHON: That is a view with respect to budgets. That view has changed from time to time. I went home one year and made a speech to the Rotary Club in the biggest town of the district. One of

my special friends was present. I bragged about voting to reduce the President's budget--not just the military--by so many billion dollars. I thought he would be rather impressed. But after the luncheon he said, "But, George, they pad the budget and the fact that you reduced it isn't such great work. They knew in advance you were going to reduce it. That's no compliment to Congress. You should have cut it more."

Well, I am sure that there have been padded budgets, and maybe there are still padded budgets; but I think the tendency now is to budget honestly and without the padding. I have always taken this viewpoint--that you can cut any budget; you can reduce military requirements from 34 billion dollars this year down to 15 billion; but you can't thereby get 19 billion dollars' worth of economy.

In other words, generally speaking, when you make large reductions in requests for funds, you don't save money; you just reduce the fighting capacity of the Armed Forces. As I said, ordinarily Congress does make some reductions in the budgets. We also make some increases in the budgets, as you know. The main whipping boy of Congress is always the civilian personnel. Why should the Armed Forces have 1.3 million civilian employees? That's what the Chamber of Commerce, the Rotary Club, and all the boys back home ask. They don't realize that so many are blue-collar workers, working in gun factories and what not. We can always provide for the reductions in civilian employees without being charged with cutting our fighting edge or something of that kind. Nobody would dare cut the number of airplanes, the number of ships, the amount of ammunition, things like that, or research and development at a time of great emergency.

Last year the budget was not cut very much. I don't think it will be cut much this year. There will be those who want to raise it--the military--and those who want to reduce it. It will go along like the President has recommended, I think.

QUESTION: You mentioned the business of undelegated funds. I should like to talk a little about the business of offshore procurement. On the trail of some information for the college, I heard in the FOA and the Pentagon some rather uncomplimentary remarks concerning Congress on this offshore procurement business--such things as "Last year we didn't get a ceiling on which to build a program until March, although we had submitted the program as of last spring. This year's program ceiling has not come out yet." Is this a means of keeping that office reduced, or is it so politically hot that you don't dare let the thing get out?

MR. MAHON: When you say "offshore procurement" you are talking about meat from the Argentine or fish from Japan?

STUDENT: Offshore procurement, MDAP funds, are what we spend for the French to build themselves an Air Force.

MR. MAHON: One of the problems is that the people in the military, the budget officers, and the top planners have to change their plans so much. They make one plan and send it to the Secretary of Defense. He cuts it back. They make another plan, because of a different situation. The Secretary of Defense presents it to the President. He cuts it back. They make another plan. The President sends it to Congress. Congress cuts it back. They have to make another plan. It is a wasteful procedure.

One of the examples is the bill on military works. We don't have the bill on military works budgeted as yet. It comes over to Congress, but Congress doesn't have time to give it the weeks of study it ought to have. It is not the fault of the military. It is not the fault of Congress.

MDAP gets delayed because the President doesn't have it ready to present early in the session of Congress. You see what I mean. I haven't very adequately answered your question. I don't work too closely with the Mutual Defense Assistance Program. The procurement of military items is the concern of the Armed Forces. If you want me to comment further, if you particularize, I might be able to do better.

STUDENT: Thank you.

QUESTION: Sir, this question is more or less in line with the performance report made by the Hoover Commission and those other advocates for a performance budget back in 1947, as to the benefits to be derived, especially in so far as the Congress is concerned. Do you feel that the Department of Defense performance budgets of today allow you, as the Congress, a basis for measuring that type of performance as originally conceived or desired?

MR. MAHON: We had quite a contest a few years ago about the performance budget. In the old military bill there was so much for pay, so much for every sort of item. It would be a long bill, particularized on everything. There was no interchangeability between

funds when you wrote it. You couldn't tell what the overall program was. So, while I was not enthusiastic about the changes, we have what is called a performance budget. The Air Force bill, for example, has about nine lines. The main items are procurement of aircraft and related items, maintenance and operations--that's one of the big ones, reserves, and so on--about eight or nine different things.

That is true of the Army and the Navy also, about the same thing. You can look at this performance budget on maintenance and operations. It is all in one place. It didn't use to be there. I think it is good. I think it shows this: Do we want to invest this much in military pay? Do we want to reduce the force? Do we want to invest this much in the procurement of military items? Do we want less? I think on the overall it has worked pretty good. I am for it. I would hate to see us go back to the old system.

QUESTION: Would you care to give us your opinion, based on your experience in the committee, of the apportionment operation that we undergo now in the budget cycle?

MR. MAHON: I don't work too closely with that. We appropriate the money. Maybe we think you have it, but we later learn that you don't have, because it has not been apportioned by the Bureau of the Budget for you.

STUDENT: We go through the circle twice.

MR. MAHON: I know what you mean. It seems to me that can be overdone. I think we have retarded some of our military programs in times past because of the unwillingness of the executive branch to make the money appropriated by Congress available to the services by the Bureau of the Budget. I cannot comment very well beyond that. I think it is something we have to watch carefully. You slow down the defense effort and cause a lot of duplication. If the money was not needed, you should not have it in the first place.

QUESTION: Mr. Congressman, I spent six or eight years in research and development before coming to school. It always seemed to have been a favor if we got anything, because of what the floor was. Is there any way of giving a flat floor or something like that?

MR. MAHON: There is nothing more tender than research and development. There have been more crimes committed in the name of research and development than you can imagine. But the point is, this year they are doing a better job about going into research and development. All incidental costs are now included under research and development. So you will get a better picture. Congress rarely reduces research and development. It is such a sensitive program. There has been appropriated over a billion dollars for the research and development program for the last few years each year. I think you can always be sure you get approximately the money requested by Congress.

Along in the middle of 1940 there was a little reduction. That is the time, maybe, that you are thinking about. Some of these reductions are made at the Bureau of the Budget level and actually never come to us, as you know. I think now it is on a pretty even keel. We are considering the guided missile program. It is in a constant state of change. I don't know what you had in mind. It ought to be a stable program in so far as reasonably possible.

QUESTION: Sir, do you think a four-year term for Congressmen would stabilize the relations between the military and Congress, to enable both of us to do a better job and have a better understanding of our mutual problems, and thereby cut down the effort and work?

MR. MAHON: I don't know. A man rarely gets on a military subcommittee during his first term. It took me four years to get on the Appropriations Committee and another year or so to get on this subcommittee. The people on these committees usually stay on them for a long time, or they get off pretty quickly, get defeated, maybe, in the next election. Most members don't really have contests every two years. The last real contest I had was in 1946. So I don't know that it would add too much. Most of the top people in the chairmanships, and the other people on the committees, have been there a long time. They would not be on top if they had not been there a long time. It is a matter of seniority.

I don't think a four-year term would add much. It would be better than two years, I suppose. You are hardly out of one election before you are in another one.

There are experienced men on these committees, and a lot of newcomers, too, at least a few every year. Maybe that's good.

CAPTAIN GERWICK: Mr. Mahon, I think our time is about up. We certainly appreciate your giving us part of your busy time. Thank you for a splendid talk and a very fine question period.

MR. MAHON: Thank you very much.

(26 Apr 1955--250)S/feb