

## News and Comment

### Coming Up: The Budget and the State of the Union Message

The Administration's program for the current Congressional session, outlined last week in the State of the Union Message, and this week in the Budget Message, calls for a good deal more money for education, more than the Administration apparently expects to get, and a good deal more for science, particularly for space, almost all of which the Administration apparently does expect to get.

In general terms, this is what the President is asking:

*For science:* The budget provides an increase of over 20 percent in federal funds for science. Most of it will come as part of a close to doubling of the budget of the civilian Space Agency, and a 50-percent increase of the space budgets of the military services. NASA will get 2.4 billion, as compared to \$1.3 billion the current year; the Defense Department, mainly the Air Force, will get \$1.2 billion, compared to \$0.8 billion the current year. The total spending for scientific research and development will run to \$12.4 billion, compared to \$10.2 billion the current year.

The above figures are all for proposed spending during fiscal 1963, which begins 1 July 1962 and ends 30 June 1963. A more significant gauge of the growth of the space programs is the request for new *obligational authority* (NOA), which includes money for contracts that will be let during fiscal 1963, with all or part of the payment coming due in a later fiscal year. Here the total figures are \$5.5 billion for fiscal 1963, compared with \$3.1 billion for fiscal 1962. All these totals include both research and development. About two-thirds of the R&D budget is for development (engineering), mostly military. The total Defense Department R&D budget is \$7.1 billion, which includes its space program.

Spending figures in the budget for

1963 for major research areas include:

For medical research—\$1 billion, mostly for the National Institutes of Health, up \$150 million from the current year. NIH proper is budgeted for \$679 million, up \$117 million. Work described as directly related to medical research, mostly by the Defense Department, the Space Agency, and the Atomic Energy Commission, is budgeted at \$181 million.

For oceanography—\$124 million, up \$23 million over the current year, and almost exactly double the figure for last year.

For atmospheric sciences—over \$200 million, and about double the figure for the current year. About \$100 million will be spent by NASA on its weather satellite program. Another large segment will be spent by the National Science Foundation for construction and beginning operations of the new National Center for Atmospheric Research in Colorado.

For high-energy physics—\$138 million, compared to \$109 million for the current year, \$86 million last year. Much of the money will go for the very expensive equipment needed in high-energy physics, including the 2-mile-long Stanford accelerator finally approved by Congress last year.

For low-energy physics—\$61 million compared to \$52 million the current year and \$39 million last year.

There are also major increases for two other areas that have been receiving special attention—materials research and water research—but detailed figures were not available.

The overall figure for basic research is \$1.6 billion, up 60 percent over the current year, with most of the increase going to NASA, but including a 50 percent increase, to \$116 million, for research sponsored by the National Science Foundation, and a 20 percent increase, to \$48 million, in NSF funds for research facilities. The latter figure is up 400 percent from last year, representing mainly the growth of

equipment grants to universities.

Aside from the levels of spending the President has proposed, the major items in the new legislative program of direct interest to scientists are the proposal for a new conflict-of-interest code, discussed here last week, and for a new pay scale for government workers, whose main objective will be to make it easier for the government to compete with private employers for technical and administrative personnel. This means that if the Administration has its way there will be substantial pay increases for government scientists and engineers. The Administration will probably be able to get something close to what it wants in the way of a new conflict-of-interest code, but on pay scales, although some sort of pay raise for government workers is likely to pass (almost the only time that Congress overrode an Eisenhower veto was on a pay-raise bill) the Administration will have a fight getting a bill of the sort it wants—that is, one with major emphasis on raises for employees on the higher end of the pay scale. This is simply because there are a great many more workers at the lower end of the pay scale, and consequently a great deal more political pressures on Congress for raises at that end of the scale.

*For education:* The Administration program is essentially the same one that failed to get through the House of Representatives last year: large-scale low-interest loans to universities, both public and private, to include money for academic facilities—classrooms, libraries, and laboratories—in addition to the already established loan program for dormitories; a fairly ambitious program of federal scholarships—about 20,000 per year, carrying stipends of up to \$1000 per year; a special program of grants for medical and dental schools, and scholarships for medical and dental students; expansion of National Defense Education Act programs of support for secondary school teaching of sciences, languages, and the proposed new area of physical fitness.

The chances are good that most of this section of the program will get through. It faces no difficulty in the Senate; indeed most of it has already either passed the Senate, or has been reported out of committee and is assured of passage whenever the leadership chooses to bring it to the floor, probably very soon. In the House, the aid bill for universities and university students was reported out of committee with the support of a majority of the

Republicans and of all the Democrats. If it had not gotten tied up in the Rules Committee as part of a package that included general aid for public schools, there is little doubt that it would have passed by a large majority.

The President also renewed his request for a program of general aid to education. Nevertheless it was generally assumed that the Administration would make no real effort to get the general-aid bill through this year, principally because there seems to be little chance of the bill's getting through no matter what the Administration does, and a fair chance that pressing for its passage would threaten the other aid bills by reviving the intense controversy over church and state. This controversy seems to be the only serious potential block to passage of most of the higher-education program, and it may well become an issue even if the Administration avoids pressing for general aid, but it is nearly certain to present serious obstacles if the Administration does press for general aid. The leadership in the House seems inclined to try to push the college aid bill through the Rules Committee very early in the session, before emotions over the church and state issue have a chance to become thoroughly aroused.

The President also made several new proposals for smaller-scale education programs, including one to set up special seminars and clinics for teachers of English, patterned after those of the National Defense Education Act for teachers of languages and science. There has been no test of Congressional sentiment on this program, since it is new, but some version of it stands a good chance of getting through, since it follows an established pattern, and since there is wide agreement among both liberals and conservatives that too many students arrive at college without a reasonable command of English.

#### **Background**

Several general factors provide a background against which the legislative and budget requests will be debated in Congress: the President's popularity in the country; the relative conservatism of the House, which is likely to be expressed most forcefully in the form of an "economy drive" aimed generally at cutting the record budget, rather than at opposing specific programs; and the imminence of the congressional elections in November.

Even before the budget was officially released, Clarence Cannon, of Missouri,

the chairman of the House Appropriations Committee, announced that it was too high, and that his committee would prune it down. The budget, after all, is not only a record one for peacetime, but contrasts sharply with the equivalent Eisenhower budgets for years following large recession deficits.

After the \$12.4 billion deficit in fiscal 1959, Eisenhower offered a fiscal 1960 budget which recommended \$3 billion less than the previous year. This was made possible by holding the line generally on expenditures while the anti-recession spending programs ran out. In fiscal 1961 the budget resumed its climb, but Eisenhower's request still totaled less than had been spent in fiscal 1959, and he was able to predict, inaccurately, as it turned out, a \$4.2 billion surplus. Kennedy's post-recession budget includes no such retrenchment: the money saved by the end of the recession programs (the extension of unemployment insurance alone cost over \$1 billion) is used to finance new programs, including not only increases for space and defense, which are generally immune to political criticism, but for domestic programs, including a hefty increase in the budget for the Health, Education, and Welfare Department. As a result, Kennedy's budget, as submitted, is tenuous in balance at a level, not \$3 billion below the recession level, but \$3 billion above the recession level, and the stage is perfectly set for an economy drive aimed at making sure the budget will really be balanced at the end of the year.

The Administration has no sympathy for this drive. In its view, and in that of most economists, including Arthur Burns, once Eisenhower's chief economist, and chief economic adviser to Nixon during the campaign, the economy budget Eisenhower submitted for fiscal 1960 contributed heavily to bringing on the most recent recession. Nevertheless, whichever side is right, an economy drive has great public appeal and provides the major threat to those parts of the Administration program, such as aid for colleges, which would otherwise appear to have fairly easy going.

Countering this is the President's great personal popularity, which he can attempt to use to keep a budget-cutting mood from sweeping the country as it did in 1957, when Eisenhower failed to defend his own budget until 4 months after it had been submitted, by which time it had become obvious that the budget was going to be cut to shreds unless he stepped in to defend it.

Kennedy is not likely to be hesitant about defending his budget, but he is in a more difficult position than Eisenhower was, for his credentials as a budget economizer, despite some carefully publicized efforts in recent months, are necessarily a good deal less solid than Eisenhower's. He has an important additional problem, connected with the November elections: in the Eisenhower years the President's popularity did not help his party win off-year Congressional elections. In 1958, in fact, the Republicans took their worst beating since 1936. The mood of the country seemed to be that while Eisenhower was a fine President, he needed a Democratic Congress to push him; Kennedy's problem is to avoid the equivalent mood: that he is a fine President but needs a Republican Congress to keep him in hand. So far he has been doing better than anyone expected. The Gallup polls show surprising strength for the Democratic party, even more, in fact, than was evident before the landslide Congressional victory in 1958, and Republican leaders have lately begun shying away from predictions that they will win control of the House this fall. For Kennedy this provides a hope that if this apparent popularity can be maintained through the election he may find himself with a far more sympathetic Congress in the last two years of his term than might have been expected in view of the losses that are normally suffered by the majority party in off-year elections.

So for Kennedy there is a very special need to use the confidence the country apparently has in him to defend his budget as sensible and sound, and to attempt to undermine the much more widely accepted view among the general public that an economy drive in Congress is in the country's best interest. It is no easy task to attempt to change in a few months a long-standing and widely accepted notion, but the stakes are high: to the extent that he is successful, Kennedy not only improves his chances of getting much of this year's program through Congress, but improves his chances of having a Congress after the November elections that will be sympathetic to his programs in the next 2 years. On the other side, of course, it is equally important to conservatives to defend with all vigor their contrary view that government spending is excessively high, and that it is a major, if not the first, duty of Congress to keep the Administration in hand.—H.M.