

Mr. GUBSER. I yield to the gentleman from Illinois.

Mr. COLLIER. Mr. Speaker, without any condoning the United States Steel price increase, I am curious as to just how anyone establishes the figure of \$1 billion as it applies to the increase in our annual national defense costs. Presumably we are going to spend \$51.9 billion on all phases of national defense this year. Assuming that we did nothing more than buy \$51 billion worth of raw steel, at an increase of 3.5 percent, without any really close figuring, this comes to about \$1.78 billion. How then can we arrive at a figure of \$1 billion on a projection of an annual increase in the cost of national defense on this basis? This is just some figure taken out of the air on the basis of what someone assumes is going to happen, some broad pattern affecting not alone one industry, but any number of industries.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from Illinois.

Mr. PUCINSKI. I would imagine that the figure that was prepared by Secretary of Defense McNamara was based on programs of our expenditures for this fiscal year, what is in the pipeline now and what we anticipate for the immediate future. Of course, the fact is that when steel goes up, it is like an octopus—it affects every single American and every single industry. I am inclined to think that the Secretary's estimate of \$1 billion is actually low. I think it is going to run a little higher than that, in my judgment.

Mr. COLLIER. Mr. Speaker, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman.

Mr. COLLIER. I am inclined to think that this is a guess or an estimate that cannot be predicated upon any fact other than a pattern that somebody has devised in order to arrive at a round figure. If there is some further substantiation of this figure in fact I would like to know what it is.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. GUBSER. Mr. Speaker, I shall have to serve notice on the House that I shall yield to the gentleman from Ohio and then the gentleman from New York and then I should like to proceed with my own statement. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Speaker, I would like to point out that the gentleman who just preceded me is worried about this figure being predicated on guesses. If that is so, he is really in bad shape because I would say that about 99 percent of what I have heard this evening is not predicated on much else than guesses, estimates, educated guesses, uneducated guesses, and statements that purport to be fact but are only the opinion of the speaker.

Mr. COLLIER. Mr. Speaker, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman.

Mr. COLLIER. Mr. Speaker, let me make just one observation that is not

predicated on conjecture and is not without basis of fact. That is that today there are 45 million families in this country. We have a national debt, as we all know, approximating \$300 billion which means that whatever figures you use, each family in this country today has as its share of the national debt \$6,300. And if the families of this generation do not pay it, you can bet your bottom dollar that it will be the heritage of the families in the next generation.

Mr. PILLION. Mr. Speaker, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from New York.

Mr. PILLION. I ask unanimous consent that the gentleman from North Dakota (Mr. NYGAARD) may extend his remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HAYS. Mr. Speaker, reserving the right to object, the gentleman from Illinois (Mr. COLLIER) makes a big statement about the national debt; and I guess everybody knows what the national debt is. I think it would be interesting to point out that during the 8 years of the Eisenhower administration there was not a single year without a deficit. The fact of the matter is that the debt kept growing and growing and growing and I did not hear any talkathon about that.

Mr. PILLION. Mr. Speaker, I am more particularly worried about the fact that for something like 25 years of the last 31 years we have been running a deficit every year. I am not interested in censuring anyone in particular.

Mr. HAYS. Mr. Speaker, further reserving the right to object, I was not speaking about the statement of the gentleman from New York (Mr. PILLION), but rather the statement of the gentleman from Illinois (Mr. COLLIER).

I concur with the gentleman that the thing has been going on, but I just want to make the record a little clearer that it has not been during only the 15 or 16 months of the Kennedy administration.

Mr. PILLION. It has been through other administrations, too.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. NYGAARD. Mr. Speaker, in regard to spending, first of all, we must realize that intervention by Government in the economy does not meet more needs. It merely transfers the spending from free enterprise to government bureaus. Never forget that government is not able to give anything free. What government gives you, it must first take from someone else. Someone once said, "The welfare state is that great fiction where everyone tries to live at the expense of everyone else."

How far do we go in our efforts to spend away problems? Here is an example. During the past 4 years we have sent over \$425 million to Communist Poland in loans, products, and credits. This year the Polish Communists want us to send \$180 million more. What do the Polish Reds do with this money?

Well, so far they have given \$15 million to Cuba and promised more. Indirectly we are financing the military buildup in Cuba that may someday be used against us.

MONS. SPENDING

When President Eisenhower left office a year ago, he estimated a \$1.5 billion surplus for the current year. Here is what has happened to that surplus according to Democratic Senator HARRY F. BYRD, as brought out in a statement inserted in the CONGRESSIONAL RECORD of March 19, 1962:

1. On March 27, 1961, the Kennedy administration revised the estimate to call for a \$2.1 billion deficit.

2. On May 28, 1961, the budget deficit was revised to read \$2.6 billion.

3. On July 25, 1961, the deficit estimate was revised to a new total of \$5.3 billion.

4. On October 29, 1961, the deficit estimate was revised to \$6.9 billion.

5. On January 18, 1962, the President in his budget message again revised the deficit estimate this time to \$7 billion.

6. The latest monthly Treasury Department statement showed an actual deficit of \$9.4 billion through the first 7 months of the fiscal year.

No matter how you look at it, the end result of this irresponsible frenzy is bankruptcy. Justice Robert H. Jackson said:

It is not the function of our Government to keep citizens from falling into error; it is the function of the citizen to keep the Government from falling into error.

Mr. GUBSER. Mr. Speaker, let me wrap up this controversy with respect to the steel price increase and state my own views before going on to the subject that I had elected to discuss tonight. I for one do not at this time know the facts regarding the steel price increase. I would not venture a guess as to whether it was justified or not justified. But it does seem to me that the discussion and the concern here on the floor of the House seems to express a lack of confidence by this Congress in the free enterprise system which is the basis of this Republic.

If the antitrust law has been violated I am confident the Department of Justice will investigate first and then prosecute. Certainly we are not about to say that private enterprise does not have the right to raise or lower its prices in a free economy. Certainly we are not about to say that the law of the consumer would not apply and that perhaps the company could price itself out of the market, and that the checks and balances of the private enterprise system will not apply in this case just as they apply to pricing practices in all industry. So I beg you, let us let our economy work its will. Let us not try to legislate pricing morality, because this is still a free enterprise system.

Mr. PUCINSKI. The gentleman will agree that private enterprise has the right to fix prices as it sees fit, and the gentleman will also agree that the American workman has the same right to seek the highest remuneration for his efforts.

Mr. GUBSER. I certainly will agree to that.