

Sanitized - Approved For Release : CIA-RDP75-00149R000600140001-3

Growthmanship—A la 1964**EXTENSION OF REMARKS**

OF

HON. HAROLD C. OSTERTAG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 22, 1964

Mr. OSTERTAG. Mr. Speaker, many of us were amazed recently when the Central Intelligence Agency held a public press conference to announce some of its conclusions about the economy of the Soviet Union. I believe we were amazed, not only by the conclusions revealed, but by the methods used to make this information public.

It seems to me there is cause for concern in our country at the prospect of an organization such as CIA being used to influence public opinion, and this practice should not be continued. All of us remember the great manipulations of economic growth figures during the last presidential election campaign, and the CIA has no place in any renewal of a public debate on this issue.

The Buffalo (N.Y.) Evening News has discussed this question thoroughly and appropriately in an editorial of January 18, 1964, and I would like to include a copy of this excellent editorial with my remarks.

GROWTHMANSHIP—A LA 1964

All during 1960, a political parlor game enjoyed by nearly every campaigning Democrat was called growthmanship. As described in one satirical speech by then Vice President Nixon—before he knew who his 1960 opponent would be—it was played by citing specious statistics to prove that the U.S. growth rate had slowed down even as the Soviet growth rate was speeding up. Thus, America must hurry, hurry to keep Russia from passing us and winning the growth race.

Well, now it's another presidential campaign year, and the stage is being set for a new game, growthmanship revisited, or growthmanship in reverse. And, of course, the object of this new game—since it is played by today's ins instead of, as in 1960, by the outs—will be to prove that everything is now happily reversed.

Thus, not our growth rate but Russia's is suddenly represented as having miraculously been slowed to a crawl while the U.S. economy surges forward at an ever-accelerating pace—thereby ending any danger of our being overtaken by Soviet production. Indeed, some of the more zealous players even show signs of getting carried away to the point of implying that Russia is in such a slow-growth mess in its domestic economy that it may soon offer no danger to us, period.

To lay the factual groundwork for such a 1964 reverse twist on 1960's game of growthmanship, we have been treated to an unprecedented special briefing by the Central Intelligence Agency. Never before has this traditionally supersilent service peered out from behind its cloak to brief the public on

anything. Why it did so now is open to varying conjecture—whether for reasons of its own or because the administration felt this appraisal of Russia's growth slowdown would be more impressive coming directly from CIA than from the usual White House, State Department or Pentagon sources.

The net of the CIA analysis of the Soviet economy, in any case, is that Russia is in the Communist equivalent of a moderately serious recession. Not only is it suffering from an obvious grain crop failure, says the CIA, but its economy is so out of kilter in other ways that its overall economic growth has declined from a rate of about 6 percent a year during the 1950's to 2½ percent in 1962.

But before anyone in Washington gets as carried away politically by this new estimate as some did in 1960 by the old ones, perhaps it is time to recall a famous line from the late Charlie Wilson when the same Congress that had panicked over the Soviet sputnik a year earlier wanted to cut his Defense Department budget: "I didn't think the Russians were 10 feet tall last year, and I don't think they're only 5 feet tall now." Just so, we didn't think they were economically 10 feet tall in 1960, and we doubt if they're economically only 5 feet tall in 1964.

FOIAb3b