

members of the Administration had relied too often on the inherent worth of a program and insufficiently stressed its presentation. He hoped that Cabinet members, while continuing to rely on others for very technical testimony, would become extremely familiar with their material before giving testimony and would always stress the composite objective of the Administration in providing military strength and security, economic strength, and otherwise advancing the welfare of the people. He hoped also that Cabinet members would work to improve their connections with related Congressional Committees. He concluded by urging the Cabinet to do as well with presentation as it did with the preparatory stages of any program.



Amb. Lodge warned that there would be a deliberate effort in the next Congress to destroy popular confidence in the President and the Administration.

Satellite Program - Dr. Hagen was introduced by Sec. Quarles and made a presentation on the experiments to be carried out in the course of the satellite program, such as studies of solar dust, cosmic rays, current rings, and meteorology generally. He reflected that our scientists have already succeeded in taking pictures from a high flying rocket and transmitting them immediately to earth.

Dr. Hagen then reviewed the schedule for attempting to launch test satellites, with the main satellite to follow in March.

Sec. Quarles stated that the Russian launching of a satellite was evidence of Russia's considerable background in this field, and of the great competence of Russian scientists. He believed that the Russian satellite program was an integral part of the military program, an arrangement which we, for good reason, deliberately had not pursued.

Sec. Quarles concluded that the satellite launching does not provide a basis for judging the relative status of Russian and U.S. military efforts, that the Russian competence must not be belittled, and that there is not sufficient justification for regarding the Russians as ahead of us. He reaffirmed that our own satellite program would hold to schedule particularly since it was part of the international scientific project, but that the Navy program would be backed up with an Army program using Army rockets.

In response to a query from Sec. Weeks, Mr. Quarles stated that a satellite the size of the Russian one could be launched by military rockets but not by the Vanguard, and that considerable time would be necessary to adapt the military rockets to that purpose.

Sec. Quarles then added that the satellite had been separated from the military programs so as to keep it purely scientific and thus perhaps



obviate or weaken Soviet protests on over-flights. Ironically, the Russians themselves, he said, had now established the acceptability of over-flights.

Economic Situation - Dr. Saulnier stated that the problem of inflation remains critical and will require attention for a long time to come. In the meantime, he said the economic climate can become deflationary and possibly recessionary. He was  the business and finan-