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DETERMINED TO BE AN
ADMINISTRATIVE MARKING
E.O. 11652, Section 1

By SPC NLE, Date 8-12-76

407482

MINUTES OF CABINET MEETING

May 12, 1960

9:05 a.m. -- 11:00 a.m.

The following were present:

President Eisenhower

Vice President Nixon

Sec. Herter
Mr. Fred Scribner
 for Sec. Anderson
Sec. Gates
AG Rogers
PMG Summerfield
Sec. Seaton
Sec. Benson
Mr. James O'Connell
 for Sec. Mitchell
Sec. Mueller
Miss Bertha Adkins
 for Sec. Flemming

Chairman McCone, AEC
 Dr. Woodruff (in part)
Mr. Stans, BoB
Gov. Hoegh, OCDM
Dr. Saulnier, CEA
Dr. Donald Chadwick, Federal
 Radiation Council (in part)

Mr. Allen Dulles, CIA
 Mr. Edward Allen (in part)
 Mr. Robert Amory (in part)
 Mrs. Gertrude Schraeder (in part)

Gen. Persons
Mr. Morgan
Mr. Robert Gray
Mr. Harr
Dr. Kistiakowsky
Dr. Paarlberg
Gen. Goodpaster
Maj. Eisenhower
Mrs. Wheaton
Mr. Kendall (in part)
Mr. McPhee
Mr. Lyons
Mr. Merriam
Mr. Patterson
Mr. Minnich

1960 Republican Platform - At the President's request, Mr. Merriam briefly described the arrangements thus far for drafting the 1960 Platform, under the leadership of Charles Percy and Mel Laird. He requested each member of the Cabinet to submit by May 25th a summary of their suggestions. He indicated that he would be the liaison between the Executive Branch and the Platform drafting group, and he advised that there would be further consultations with Cabinet members after a preliminary look at their suggestions.

The President restated his deep conviction that Platforms should be meaningful despite the tendency of political parties to ignore them after an election has passed. He hoped that the Parties would make them more meaningful. He thought they ought to be a little more succinct and hard hitting, and he commended to the drafting group his own suggestion that the long, dreary pamphlets might better be replaced by

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a short statement of principle items, or at least the important points could be presented first in summary with the full Platform set forth in an attachment.

Economic Situation - Dr. Saulnier reported happily on the recent advances in retail sales, automobile sales, increased employment, the FHA reduction of down payment requirements, the outlook for plant expansion, and increased exports. He suggested caution with regard to inventories where the rate of buildup may slow down, although they are not now high in relation to sales. On the pessimistic side, a trouble spot existed in that corporate profits are running below expectations, primarily because of the squeeze caused by rising costs but steady prices, with a possible dampening effect on plant expansion and Treasury receipts.

Dr. Saulnier summarized the situation as indicating that 1960 will be a good year, though not marked by boom conditions.

Dr. Saulnier thought it desirable probably for the Government to be taking steps to provide some stimulus to replace the expected inventory rate change. Already the housing down payments have been reduced, monetary policy -- the principal governmental instrument -- was being eased, and highway allocations would be a strong stimulus in the second half of the year once the impact of the reduction required by legislation last year could be overcome.

Looking beyond 1960, Dr. Saulnier thought that the national economy was in a more favorable position for sustained growth than at any time since World War II.

In discussion, Sec. Mueller noted that the inventory increase is at no greater rate now than it was a year ago, but the President pointed out that the process of filling up the pipeline had to end eventually unless there were a great growth in consumer demand. Secretaries Seaton and Benson questioned the export figures as related to P. L. 480 agricultural sales, and Dr. Saulnier indicated that such sales were not included in the export statistics he used. Mr. Gates wondered about the impact on the economy as a whole of the sickly outlook for the aviation industry. Dr. Saulnier agreed that some adjustment in that industry might be needed after the current backlog of orders is filled, but he was confident the economy could weather this adjustment just as it had others in the past. Mr. Herter noted that the expected record travel abroad would adversely affect the balance of payments situation; Dr. Saulnier felt nevertheless that the balance of payments deficit would be substantially reduced even though continuing to be a problem.

The President noted reports he had had from foreign visitors that there would be much tourist travel to the United States. Dr. Saulnier was reassured by such indications since they are a significant indication of public confidence in the economic future.

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Mr. Stans called attention to the new statistical procedures for estimating housing starts. Dr. Saulnier said that a recent study of this had revealed that estimates were generally low by about 200,000 units. Future estimates, corrected by the new method, will be accordingly at a higher level. This will cause a re-estimate of the GNP with a resulting increase of about \$3 billion.

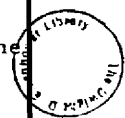
Soviet Manpower - After prefatory remarks by Mr. Dulles, Mr. Robert Amory took note of the new Russian census taken in 1959, then went on to present a series of charts comparing estimates of Russian man- (and woman) power with similar statistics for the United States. Some of the significant facts brought out were that our population growth in the '60s will be at least as rapid as that of Russia, that women make up 55% of the Russian labor force as contrasted with about 33% in the United States, that despite irregularities in Russian age groups as a result of the wars, the Russians are holding their labor force fairly steady by reductions in the armed forces and by restricting temporarily the enrollment in day schools. Also, 50% of Russian workers are engaged in farming, 30% in industry and 20% in service trades. In the United States, these figures are 10%, 36% and 55%, respectively. Regarding GNP, Mr. Amory presented an estimate that Russia is closing the gap but will still be well behind in 1970.

Mr. Herter requested copies of these charts, and Mr. Amory indicated a booklet would be distributed to Cabinet Members. Mr. Herter questioned the arrangement of the GNP graph which was on a logarithmic basis. Mr. Amory agreed that this distorted the absolute figures but presented fairly the percentage difference between Russia and the United States.

Sec. Benson was interested in the possible effect on population growth of the fact that so many Russian women are engaged in heavy manual labor. Mrs. Schraeder stated that Russian population growth is slowing up and that there has been much discussion in Russia about making life easier for women. She thought the bad housing conditions in the cities were a contributing factor but she wanted to point out that the high Asiatic fertility rate was a big compensation.

Operation Alert 1960 - Gov. Hoegh made a preliminary evaluation of the operation, setting forth the procedures which had added realism to the exercise, and concluding that it had been a very effective exercise, that the soundness of the national plan was confirmed, that there remains need for strengthening State and local government preparedness (emphasizing the need for approval of pending legislation), and that there is a continuing need for training exercises in future years.

The President remarked on the good impression made upon members of the NSC by the improvements effected at the OCDM site. The President then remarked on the possible desirability of further development of the Defense Department site so as to accommodate certain



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other government officials just as OCDM stands prepared to accommodate them. Mr. Gates replied that the problem had been taken under study immediately in his Department.

Radiation Protection Guidance (CP 60-109) - In Dr. Flemming's absence, Dr. Kistiakowsky summarized the Cabinet paper, drawing particular attention to the presumption that any radiation at all has some effect on living tissue, either somatic or genetic. The Council felt it had made this assumption necessarily in the absence of any experimentation proving there would be no effect from small doses.

Dr. Kistiakowsky noted that the new term "radiation protection guide" would serve as a replacement for "maximum permissible exposure."

Dr. Kistiakowsky referred to the imminence of hearings by the Congressional Joint Committee on Atomic Energy, and the desirability of having this paper approved and published prior to the hearings. He affirmed his own concurrence in the recommendations.

Mr. McCone stated that the AEC fully concurs in the paper and the desirability of early publication. He said the practices of the Commission are consistent with the recommendations.

Mr. McCone then put additional emphasis on the statement on page 4 which denied, under present knowledge, the existence of a threshold below which radiation would not have harmful effects. This and the differentiation between atomic industrial workers and the population as a whole could become points of controversy, he thought.

The President ascertained that measurements of radiation for the purposes of this guide began from zero and that zero included natural radiation from the atmosphere and such radiation as an individual might receive from medical treatment.

Mr. McCone compared this entire problem with that of motor vehicles and highways, where any speed at all could be dangerous, but officials as a practical matter must determine what are "safe" speeds.

Mr. McCone then discussed certain technical aspects of AEC operations as pertains to radiation. He noted that the Commission did not know of any instance in which there would be a need for making use of the option set forth in recommendation #7, but that it had been included in case of future need.

Dr. Kistiakowsky stated that Sec. Flemming thoroughly accepted these recommendations.

Mr. Rogers inquired if it would be possible to state that the effect of a very small dose of radiation would not necessarily be harmful, for the existing language would almost inevitably be taken out of context and built into great controversy. This gave rise to an extensive discussion in which Messrs. Gates, Scribner, Mueller and

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Seaton all supported Mr. Rogers in opposing the draft language. It was pointed out that this language had frequently been used before, but Sec. Seaton stressed that it had never before been Presidentially approved. It was suggested that the paragraph at issue be eliminated completely since it was merely prefatory to the essential recommendations and its content was repeated in other language in various places in the paper. The President refused to delete the item on his own personal judgment when he had constituted a Committee of expert scientists to develop the paper and this had been their best judgment after full attention to the specific problem. The Vice President and the President both suggested possible editing of the language to make clear the impossibility of any assertion one way or the other, given the present lack of conclusive research. Mr. McCone believed the working group should review the matter, for it might prefer to eliminate the paragraph on its own responsibility rather than subject it to editing.

The President directed Dr. Kistiakowsky to take the paper back to the working group for review with the understanding that it was agreed the paper should be published as soon as possible in such form as would not scare people to death.

* * * * *

Following the Cabinet meeting, there was a briefing by the Defense Department on Russian and U.S. military posture, covering all types of forces, including ballistic missile capacity. This was arranged as a result of Mr. Summerfield's request some time previously that all Cabinet members should be well informed about security matters because of their frequent public contacts. In the course of the briefing, Mr. Summerfield reverted to this point and emphasized that there was a remaining need for Cabinet members to visit places like Omaha or Cape Canaveral, since this would serve to strengthen the validity of such public comments on defense posture as these Cabinet members might make. Mr. Gates agreed on the impact of the "I was there" approach.

Adm. Byrnes stressed the sensitivity of the information presented in the briefing, practically all of which was "Top Secret" in nature.

LAM
L. A. Minnich, Jr.

Copy to:
Mrs. Whitman (2)
Mr. Minnich
Mr. Gray

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