[illegible] per cent cut in five years could prove a minimum figure. After years in which the department's biggest problem with Congress has been to persuade the lawmakers not to give it too much money, the new nickel-nursing mood of Capitol Hill is so unexpected that a good many industrialists haven't even noticed it.

The day after the Senate whacked $1.4 billion from this year's appropriations bill, Raytheon president Charles Francis Adams sat in his quiet Lexington, Mass., office and told NEWSWEEK: "I don't think there's an important element in Congress that's trying to promote budget-cutting in defense spending, and I don't detect any mood in Congress to do it."

Shakedown: During a tour of his firm's Titan production plant in Denver last month, Martin Marietta vice president William B. Bergen said that it was "eminently clear" there was too much defense capacity and "we're actually going through a shaking-down process right now." But Bergen vowed this wouldn't change Martin Marietta's plans. "We're going to try to get as much of the [defense] systems business as possible from our competitors and let others worry about commercial business."

Such competitive self-reliance worries the arms-control planners and private economists who have been urging for years a thorough, government-industry program of planning for the conversion from military production. Arms controller Foster wonders seriously whether the country is "in danger of developing a sense of permanent economic dependence on defense spending."

In the face of this bland certainty that the pipeline from Washington can't be choked off, Washington planners can only repeat that cuts are on the way. "The trouble is that too many defense industries are hidebound and inflexible," says Arthur Barber, Deputy Assistant Defense Secretary for Arms Control. "Well, they are in for a sad awakening if they think they can wait for disarmament day and then start planning."

Obviously, most large companies try to chart their corporate courses. A giant like General Electric (the fifth largest defense contractor, even though defense work is only 20 per cent of its $4.8 billion annual sales) keeps updating "a rolling ten-year forecast" in each of its 110 product departments, 26 divisions, and four basic groups. Cleveland's Thompson-Ramo-Wooldridge has "always assumed" defense spending could be cut, says vice chairman Simon Ramo, and holds government work to no more than half its $500 million gross. It also tries "to avoid 'the one big program' that dominates a company."

But in the thicket of unknown factors involved in considering defense cutbacks, and particularly cutbacks stemming from a hypothetical disarmament agreement, the contingencies multiply like rabbits—and the choices of action seem limited. "If our military business stopped right now, we couldn't do any more in the consumer area than we are doing," says Donald H. Putnam, the aggressive young president of Duarte, California's Giannini Controls. "There are no shortages. How then can we have any contingency plans?"

A good many companies are betting that space spending will make up for defense cuts (among them: North American Aviation, Boeing, McDonnell Aircraft, Martin Marietta, Lockheed, Textron). But it may prove a dubious risk. Technical difficulties and President Kennedy's invitation to the Russians to join forces for a moon trip may change the size and schedule of the $20 billion Apollo project, and Congress is turning a wary eye on the National Aeronautics and Space Administration request for $5.7 billion this year. Last week, a House subcommittee voted to trim the NASA appropriation to $5.1 billion.

Many more defense contractors have moved along the commercial route to diversification. But because they lack background in commercial work and often find military techniques and equipment are not easily applied, arms makers are not ideally suited for commercial competition. Curtiss-Wright, an aircraft-engine maker, tried branching into plastic sponges, carpet pads, and insulation, but sold the new division in 1960. It also bought the U.S. rights to a revolutionary auto engine, but found no buyers; it has tried to sell Air-cars, engineered a propeller-driven train, and formed (and later canceled) a management agreement with Studebaker Corp.

"How do you set up the distributors, dealers, public relations?" demands one New York veteran of the aerospace business. "You can't just change your whole staff. You may have the plant space, the money, and the machinery for commercial business—but the plant is in the wrong spot, the money is tied up with reluctant underwriters, and your sophisticated machines just can't be turned inside out to turn out refrigerators." A West Coast executive who has decided not to make the switch explained: "We are used to working in precise, close-tolerance areas, and we're not accustomed to punching out washtubs. In simple terms, our whole way of doing things is different."

Grass Roots: For all its exhortations that industry should plan for arms control, the Arms Control Agency itself has made no comprehensive study of the economic impact of disarmament since Benoit's group reported in 1961. In fact, any such planning would be shakily based; there's no comprehensive information on the geographical spread and inter-company links of the vast arms industry. "We can determine who the prime contractors are, and many of the subcontractors," a Pentagon official observes, "but we can't go below that level

U.S. Air Force

Junked jets in Tucson: Reaching the end of the obsolescence line