Committee (AEC 313/10), and of the preliminary budget estimates for the FY 1952. Mr. Hafstad said that the reductions in reactor development programs recommended by the Budget Review Committee did not appear intolerable. He recommended, however, that no slash be made in funds for program direction and administration at Washington and Arco, since the amounts provided in the Division's estimates were already at a minimum.

Mr. Hafstad said that he would not contest the Review Committee's recommendation (page 17 of AEC 313/10) for reduction of the contingency funds of \$3 million under general reactor research and development. He pointed out, however, that the item had been included by the Division to enable a general request, of the nature of a competitive bid, for submission



by industrial firms of designs for civilian power reactors. Mr. Murray said that he thought such a scheme had much to recommend it.

Mr. Hafstad discussed with the Commission the plans with regard to other reactors, particularly the intermediate naval reactor and the homogeneous reactor, which underlay the budget estimates before the Commission. He said that on August 7th Mr. Smyth and he had been invited to participate with Mr. William Webster and Dr. Wheeler Loomis in further discussions of the aircraft reactor program.

At this point, Messrs. Hafstad, Weil, McCarthy, Manly, Shriver and Tumbleson left the meeting.

2. Visit of Commissioner Smyth to Los Alamos and Colorado Plateau

Mr. Smyth reported to the Commission concerning his recent visit to Los Alamos, and to Grand Junction and the surrounding areas. He said that Dr. Bradbury is preparing a memorandum setting forth certain views on custody of weapons components. He also reported on current tentative Los Alamos estimates as to the feasibility of development of a thermonuclear weapon.

At this point Messrs. Trapnell and Thompson entered the meeting.

3. Press Release on DuPont

Mr. Shugg said that the Public and Technical Information Service had recommended that a press release on DuPont's participation in the atomic energy program be issued promptly. A front page article had appeared in the Chicago Herald American stating that the DuPont Company was to build the hydrogen bomb. In response to questions by the Chairman as to the propriety of a release, before the House Appropriations Committee had acted on the Commission's supplemental budget request, Mr. Shugg pointed out that a letter contract with the DuPont Company was being worked out and that commencement of operations by DuPont could be financed from \$20 million of unobligated balances. After further discussion, the Commission:

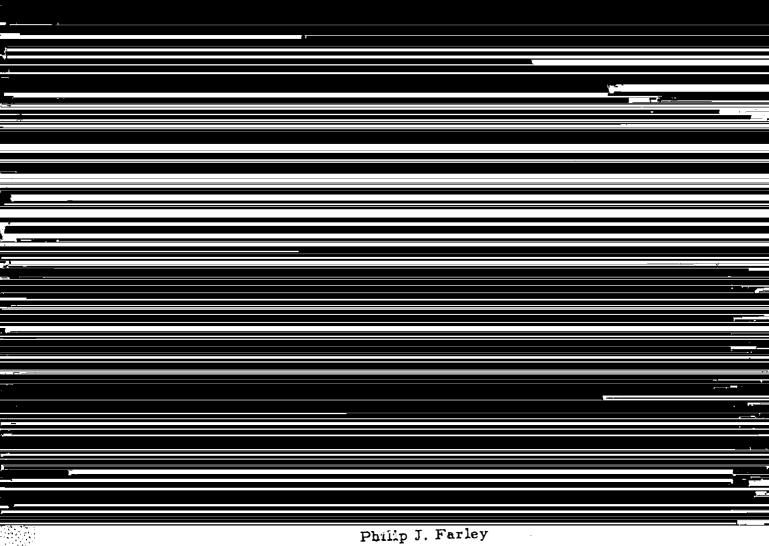
APPROVED issuance of a press release on DuPont participation.

At this point, Messrs. Trapnell, and Thompson left the meeting and Messrs. Tyler, McCormack, Cooney and Schlatter entered.



Page(s) 438 remain(s) classified.

The withheld page(s) will be coordinated with the Department of Energy under NND 982027.



Philip J. Farley Acting Secretary

Approved by the Commission: August 23, 1950