

If the Chairman wishes—with his permission, I would like to introduce Dr. F. D. Rigby now, who will speak to the first eight on the list.

Mr. HÉBERT. Now, before we get into that, Mr. Secretary, I think the committee members may like to question you on your general statement.

Secretary BELIEU. All right, sir.

Mr. HÉBERT. And in that connection let me say that I congratulate you on the statement, even if it had no Einsteinian theory as of now. [Laughter.]

I don't know what the future holds. I am not predicting. But certainly your statement has been responsive and I congratulate you on it.

Don't puff up on that. I always warn everybody. [Laughter.]

Mr. COURTNEY. No levitation.

Mr. HÉBERT. No. This is as of now. [Laughter.]

Secretary BELIEU. Yes, sir.

Mr. HÉBERT. The doctor says—you know, you see the doctor and he says "You are in good health but you may drop dead the next minute." He always protects himself. And I am trying to protect myself in my statement.

But seriously, your statement has been most responsive and I think most helpful for part of the questioning on the part of the committee now.

I just want to ask one question now, or two questions. In your evaluation—and recognizing the fact that much of this has been left on your doorstep and you can take it to the orphanage if you want—but the time that you have spent in the Navy department as Assistant Secretary, and your grasp of the situation, and in the figures presented to you, what conclusion do you come to as to the desirability of contracting out in whole or in part, or not at all?

Secretary BELIEU. I suppose each man brings to a job the background of his own nature.

I spent many years in military service. I am normally inclined to in my opinion make certain that our Military Establishment has as much in-house capability that it needs to judge the job that it must do. Basically this is the fundamental reason.

Mr. HÉBERT. That is the paramount consideration.

Secretary BELIEU. I think so, yes.

Mr. HÉBERT. Now has the contracting-out procedure injured in any way that in-house capability, in your opinion?

Secretary BELIEU. I have not had a chance to visit the entire Navy and I can't answer that completely.

Mr. HÉBERT. From the books—

Secretary BELIEU. From my questioning of the staff and the people that I have had the opportunity to rub elbows with, I don't think it has now. Although it could if we do not maintain the naval art alive within the Naval Establishment in this country.

Mr. HÉBERT. Then, what you are saying to the committee is that an expansion of contracting out must be approached with caution.

Secretary BELIEU. Yes, sir; I think so.

We have a two-horned dilemma in this country. We obviously support private enterprise and must. It is a great percentage of our strength. It is 98 percent of our strength.