

4100.15, July 9, 1966, and DoD Instruction 4100.33, July 22, 1966). These documents emphasize the Government's intention to procure goods and services from private sources except in certain unusual cases where government-operated enterprises are essential to maintain programs or reduce costs substantially. I submit that the continued operation of a dairy farm is directly contrary to the thrust of these policy statements.

First, it is obvious that the dairy products required by the Naval Academy can be procured from commercial sources. The dairy farmers of Maryland are ready and willing to provide the high-quality milk and other products for the midshipmen's mess. In this regard, I might point out that no other military installation in this country, including both the Military Academy and the Air Force Academy, deems it unwise or unduly expensive to purchase dairy products from commercial sources, and certainly the Maryland dairy industry is at least comparable in quality to that of New York or Colorado.

Second, the report of the General Accounting Office (Report B-156167, submitted March 23, 1966) establishes that "potential savings would accrue to the Government if the Dairy Farm was sold and the milk and milk products were purchased by the Naval Academy from commercial concerns." (pp. 12-13.) Since this report is available to the subcommittee, and since representatives of the GAO are scheduled to testify, I would like to discuss briefly only two aspects of this question of comparative costs.¹

(A) Some individuals have asserted that the GAO's conclusions are not accurate, since the Proceeds from sale of the Dairy Farm's assets might accrue to the Midshipmen's Store rather than to the Treasury. I would only point out in this regard that, if these funds were assigned to that special account, they would be available to benefit the midshipmen and thus would offer potential advantages which, while they may not be precisely calculable, should not be considered unsubstantial.

(B) Others have asserted that the GAO's conclusions would not be relevant if the Dairy Farm property were not offered for sale, but rather was converted to some other public use. But obviously if this was the case, the taxpayers would be saved the cost of purchasing other property for that purpose.

Mr. Chairman, it is not my intent to remove the Federal presence from Anne Arundel County. I would like, however, to see the Dairy Farm acreage converted to public purposes which do not conflict with the operations of private enterprise. Certainly there are other Federal operations which could be located at Gambrills, and which could bring even greater direct and indirect economic benefits to the area. Certainly, too, the tremendous growth of Anne Arundel County makes preservation of open space, in public ownership and for public enjoyment, extremely important. I am convinced that appropriate uses of the Dairy Farm property can be assured, through full and frank discussions between the Department of the Navy and the officials of the County, so that the eventual disposition of the land will be in the best interests of all concerned.

I am convinced, above all, that it is time to get the government out of the dairy business. While the amount of milk produced by the Naval Academy Dairy Farm is relatively small, the fact remains that the dairy farms of Maryland are being denied this market. For every hundredweight of milk produced at the Dairy Farm, a hundredweight of privately-produced milk is being driven into surplus. This situation seems especially incongruous at a time when the Department of Agriculture is expending billions every year to try to uphold farm prices and expand agricultural markets. The current situation is, in short, absurd in principle and unconstructive in practice.

In conclusion, Mr. Chairman, closing the Naval Academy Dairy Farm will be clear evidence that the Federal Government intends to bring a bit more order and consistency into its operations, and intends to minimize Government competition with private enterprise. Continuing the farm would be a victory only for inertia, and a clear loss for American taxpayers and the Maryland dairy industry. But closing the Farm, and converting the property to other uses in an orderly and perceptive way, would bring great benefits to the taxpayers, Maryland's dairy farmers, and the people of the area concerned. I trust that this subcommittee will join me and many others in urging the Department of the Navy to begin phasing out the Farm without further delay.

¹ See staff study, 1967, p. 189.