

Mr. IGNATIUS. Yes, sir, we can. This is really in the area of the potential for competition. For example, some of our largest dollars are in areas where there is no potential. The POLARIS missile is an example.

I suppose theoretically it would be possible to have two sources of the POLARIS missile, but it would be so costly to set up the duplicating tooling and incur the learning associated that as a practical matter you can't do it, so that we deal with one company following design competition.

In other areas, for example—let's say a relatively simple radio—it is our policy to buy competitively as soon as we can, and the competitive potential in that area is good. We have made analyses of this kind. We have followed them vigorously, and it is because we have done that that we have been able to increase our competitive procurement since 1961 from 32 percent of our dollars to over 44 percent.

Chairman PROXMIRE. My time is up. I want to get into the next and to me the far most interesting part of it in my next questioning period. Congressman Curtis?

Representative CURTIS. Well, Mr. Chairman, after reading this paper and listening to these answers, it is almost like going back to 1951. When you say the POLARIS missile has to be a single contract, after all the discussions we have had for years about breakout contracts and competition, it just typifies your testimony, Mr. Secretary, which amounts to excuses and the avoiding of the basic issues.

Now, this committee relied upon, as one of the key factors in following what we thought was progress, the definition of competition. There is no question that you understood it just as we understood it, and when you fall back on the way you did it in 1959 as an excuse, well, that is what it amounts to. What you have done is to take a perfectly good product, labeled competitive, which has meaning, and corrupted this meaning—if this testimony that we have received is accurate, and I have every reason to believe that it is.

Now, there are other reasons why you would like to put competitive labels on. If it is noncompetitive, then you come in and hopefully do some auditing on those, and this is a key point.

Also if it is noncompetitive or negotiated, it comes at least under whatever discipline might exist in the Renegotiations Act. I must say that I don't see any point in carrying on the interrogation.

Mr. IGNATIUS. Mr. Curtis, it would be very helpful to me if you could give me the reasons why you have come to that conclusion. You have commended us many times in the past for the efforts we have made, the figures we have reported, which indicate the substantial increase in competition in the last 5 years that has come about as a result of devoted and sincere effort on the part of our military and civilian people. The facts speak for themselves.

DEFINITION OF COMPETITION

Representative CURTIS. The trouble we have here is that we thought we understood definitions, and as I say, you have corrupted your labels. When you come in with this kind of answer in respect to what is com-