

Senator JORDAN. Yes.

Mr. GAINSBROUGH (continuing). As they are going to affect Government determinations, whether to buy or to purchase in the open market.

Senator JORDAN. I appreciate your fine statement this morning. It has been very instructive and educational for me, with your good and forthright answers to our questions. Thank you very much.

Representative CURTIS. I think our counsel, Mr. Ward, has a couple of questions he would like to ask, and I would like to have him do so.

Mr. GAINSBROUGH. May I say before he begins that he has been very helpful to us in getting at some of the underlying data relative to Government activities. These are not easy to come by; access to files is far more difficult than it would first appear.

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Mr. WARD. I would like to ask you with respect to Circular A-76 in the use of a differential, whether there should be a differential used at all, if the item can be bought competitively?

Mr. GAINSBROUGH. Well, this is what I had in mind when I said that the first point of disaffection with A-76 was their failure to underscore, perhaps as forcefully as others would have, the preference for buying, if at all possible, in the private sector. Buy from the private sector, unless there are compelling arguments, because of hazard, because of inadequacy of supply, because of national security, that move you in the direction of making rather than buying.

I am reluctant to endorse the general rule that if you can get it in a competitive market, there need be no consideration of Government make. There may be a leadership role involved as in the case of a computer that the Government wishes to fulfill through its own make rather than through purchase.

Mr. WARD. We have found that you often get into a lot of expensive bookkeeping and accounting and so on, to prove things that perhaps don't need to be proved at all, where there is a product involved that you can buy competitively.

Then the second question would be, if it can't be bought competitively, wouldn't it be better to place more effort on trying to get market competition rather than the Government itself providing the competition?

Mr. GAINSBROUGH. Again I think I would agree with it as a general rule. There may be exceptions as in the case of national security, or in the case of the leadership role in R. & D., which I don't want to discount too heavily, because there is so much that has come from the leadership role, in space and in the computer area, by Government.

Mr. WARD. Yes.

Mr. GAINSBROUGH. That wouldn't have been forthcoming as readily in the private sector.

Mr. WARD. Thank you. That is all I have.

Representative CURTIS. Thank you again, very much, Mr. Gainsbrugh. We deeply appreciate your appearing before us.

Mr. GAINSBROUGH. As always, I have enjoyed being here.

Representative CURTIS. We also have with us Mr. R. Douglas Marshall, chairman of the board of trustees of the National Association