

the law, or the administration of Government contracts, we want to take as large a number of cases as we can, in order to be sure that our sample is representative, and that we are not giving anyone erroneous information with respect to what may be an isolated case.

Representative GRIFFITHS. I agree with you that you need some general information, but general information is never going to make purchasers out of the Defense Department. You also need some specifics and if you would now point out the contractor that leased his own land and so forth and so on and paid the lease price, thus running up the cost, I would say it would have a very good effect upon the purchaser who had entered into that deal. Anybody that is purchasing for the Government that doesn't have much better sense than that shouldn't be purchasing. That is the whole problem. You aren't just protecting the contractor.

Mr. STAATS. As we see it, the problem is on the Government side.

Representative GRIFFITHS. We are protecting the Government itself and I really don't think they deserve protection. I feel that anybody that wasted this type of money should be at one time or another asked to account for it. You are never going to improve the quality of purchasing unless you do something about it.

Representative RUMSFELD. You say that if you feel a contractor has done something improper with respect to his procedures, GAO makes the name public. Let's take this example, in your report. You say:

One year after an 8,000-ton forge press, costing \$1.4 million, was installed it was used extensively for commercial production of a jet engine midspan blade. In the 3-year period ending December 31, 1965, the 8,000-ton press was used 78 percent of actual production time for commercial work while the majority of government procurement of midspan blades was processed on old 4,000-ton presses.

(See app. 4(a), p. 411.)

Now, looking at both sides of the equation, you could say that that is improper on the part of the contractor.

Turning it around, you could say that the fact that the Government, in entering into the contract, did not specifically provide against that, did not specifically impose penalties for that course of action, that it is the Government's fault.

Ultimately everything could be the Government's fault in every single aspect of procurement for not writing into the contract some prohibition. Isn't this true? Is that improper? You cited it as a finding that you feel is improper, and yet you have not mentioned the contractor's name.

Mr. STAATS. I feel that the Government—and I agree with what Mrs. Griffiths says here—I think the Government as a responsible buyer has the obligation to enforce its own laws and its own regulations. I think we as an agency of the Congress have the responsibility to point out where this is not being done.

There is always a question of how much of this blame rests with the contractor and how much of it rests with the Government. It seems to me that basically what we are after is to find out whether the Government itself is administering its laws and regulations adequately. In this case I believe the difficulty we have pointed out clearly was a fault on the side of the Government. There are rules and regulations which were not enforced, that were not applied.