

## FOUR-DAY PROCUREMENT CONFERENCE

Mr. MORRIS. We had this 4-day conference of our 280 top procurement personnel just a month ago. After 4 days, I think, their prime conclusion was the human element is the most important ingredient to further progress in this field.

## CONFLICT-OF-INTEREST LAWS

Chairman PROXMIRE. Of course, we have not mentioned at all the laws that prohibit procurement officials from becoming part of a firm which has supplied procurement to the Government.

Do you think that the laws are sufficiently restrictive in this regard? It concerns me very deeply, concerns all people that I have talked to about this. You have a man who—in some cases military, some cases civilian—he is a procurement official. He leaves the Defense Department—is it 1 year or 2 years?

Mr. MORRIS. One year I believe.

Mr. CURTIS. For 1 year he is not permitted to work for a firm which has sold to the Government. But, after a year he is free to do so. And, of course, the pay, the compensation can be enormous. And this can be something in the back of the mind of such procurement officers when they deal with these big firms. On the other hand, we do not like to interfere with the freedom of any American citizen.

Do you feel the laws are adequate in that regard?

Mr. MORRIS. Let me first correct myself. Mr. Malloy said it is 3 years.

Mr. MALLOY. I might say just to further clarify, that in the case of a military man, he is prohibited for all time from doing business with the service that he has served with. So he has that prohibition that lasts without limitation.

Chairman PROXMIRE. So if he is an Army man, he cannot do—

Mr. MALLOY. Cannot sell to the Army.

Chairman PROXMIRE. Cannot do business with the Army?

Mr. MALLOY. That is correct.

Mr. MORRIS. I do think, Mr. Chairman, our laws and our own administrative regulations, Executive orders and directives, are quite adequate and sufficiently restrictive to prevent abuses. (See "Standards of Conduct," Hearings, 1965, pp. 141-177.)

## DEFENSE MOBILIZATION ORDER 8555.1

Chairman PROXMIRE. Is Mr. Sanderson here, of the Office of Emergency Planning?

Mr. SANDERSON. Yes, sir.

Chairman PROXMIRE. Mr. Sanderson, I understand that your office is reasonable for setting standards on the use of this equipment?

Mr. SANDERSON. That is right, sir.

Chairman PROXMIRE. Government-owned—and in the hands of the contractors. And Mr. Staats was anxious that you have a chance to be here. If you have any statement at all that you would like to make in connection with what has been said this morning, or what Mr. Staats has said before, we would welcome it.