

on the upswing." I say this because the volume of defense contracts has risen sharply as a result of the Vietnam War. This year we are spending more in Vietnam, both in dollars and in percentage of total U.S. spending, than we did in the peak year of Korea, which was 1953. Specifically, Vietnam is costing \$26 billion now, contrasted to \$10 billion for Korea in 1953. I say profiteering is on the upswing because the jurisdiction of the Renegotiation Board has been cut back by Congress over the years. The successive exemptions to renegotiations allow more and more profiteering for two reasons. First, the number of contracts and the number of contractors within the Board's jurisdiction have declined. For example, in 1952 the Board reviewed the profits of 13,104 companies; but in 1966 the number of companies had dropped to 3,387, a cut of nearly 75 percent. And secondly, these exemptions increase profiteering because the deterrent effect of the Board has vanished in those exempted areas.

Like the policeman of the beat, the Board casts a long shadow. To illustrate, in 1966 the Board made determinations of \$24.5 million in excessive profits, but corresponding to this figure was an additional \$23.2 million in voluntary refunds by the contractors which were reported to the Board. I suspect that the effect of the Board is like an iceberg—a good deal of its weight is below the surface.

Also, despite the direct denial of Mr. Morris, I stand squarely behind my statement that the "annual reports of the Renegotiation Board reveal that profiteering is going on now, is increasing, and will continue to increase unless something more realistic is done to stop it." Mr. Morris said, "The Renegotiation Board reports of past years certainly do not bear it out."

I disagree. The Board's reports certainly do. The fact that the Board in its latest report could point to its recovery of \$47.7 million in excessive profits determinations or voluntary refunds certainly does confirm my statement that war profiteering is going on now. If I might be excused in appropriating the same argument used by Mr. Morris, I would say that I know of absolutely no evidence to support the contention that war profiteering has somehow ceased.

Further, the following table of Renegotiation Board determinations of excessive profits from 1962 to 1966 certainly does confirm my statement that profiteering is increasing:

Fiscal year:	Excessive profits
1962	\$7,840,000
1963	10,070,000
1964	24,160,000
1965	16,150,000
1966	24,510,000

And finally, the fact that the first rash of contracts awarded during the Vietnam buildup are now coming before the Board does indicate the validity of my statement that profiteering will continue to increase.

While I am on the Renegotiation Board's latest report, I might mention that the Board recovered this \$47.7 million in excessive profits with a total of 178 employees. This amount of profiteering is even more amazing to me when I consider all the contractors and their contracts now exempt from renegotiation. Though not entirely fair, it is nevertheless suggestive to contrast these 178 employees of the Renegotiation Board with the 25,000 "procurement professional people" that Mr.