

TO RENEW THE DEFENSE PRODUCTION ACT OF 1950

THURSDAY, APRIL 11, 1968

HOUSE OF REPRESENTATIVES,
COMMITTEE ON BANKING AND CURRENCY,
Washington, D.C.

The committee met in executive session, pursuant to notice, at 10 a.m., in room 2128, Rayburn House Office Building, Hon. William A. Barrett presiding.

Present: Representatives Barrett, Sullivan, Reuss, Moorhead, Stephens, St Germain, Galifianakis, Bevill, Wolff, Griffin, Widnall, Halpern, Clawson, Mize, Blackburn, Brown, and Wylie.

Mr. BARRETT. The meeting will come to order, please.

Our witness this morning is Admiral Rickover. It is a pleasure for us to have you here today, Admiral Rickover.

Although this is the first opportunity this committee has had to take testimony from you, many of the committee members have followed your testimony before other congressional committees with much interest, particularly your testimony regarding contracting procedures in the Government and the increasing cost of items Congress is called upon to finance from the public Treasury.

We are particularly interested in your recent testimony before the Joint Committee on Atomic Energy concerning unnecessary delays in development of a new design submarine because the Department of Commerce was unwilling to use the authority granted to it under the Defense Production Act of 1950 to require industry acceptance and performance of contracts for defense work. We will want to explore this matter with you in depth.

As you know, we are presently considering the extension of the Defense Production Act through June 1970. We are interested in having your observations concerning its effectiveness and any recommendations you may have for strengthening it.

We will also be most interested in hearing your views on the methods used by the Government to award contracts, particularly with regard to providing greater protection to the Government so that undue profits are not made from so basic a national necessity as military preparedness. I was particularly impressed with a statement you made before the joint committee:

I only wish it were possible for older people such as myself to go to Vietnam. I would be very, very happy to do so. I have lived my life. The young men we are sending to Vietnam have not yet lived their lives. Also, we older people are the ones who made this war.

But, as long as the young men have to fight the war for us, I firmly believe we must give them the best weapons we can. It is not proper to draft young