

gram managers, nor the taxpayer will ever know what complex military equipment costs and what profit the Government is actually paying.

Congress has enacted other legislation in an effort to protect the public against overcharging and profiteering on Government contracts, such as the Renegotiation Act and the Truth in Negotiations Act. All are based on the presumption that the Government can readily determine supplier costs. The Government can't. The introduction of uniform standards for accounting would help make these laws effective.

I reiterate we must have standard accounting practices so that the Government can learn what it actually costs to make an article and what the actual profit is. The way it is today, industry can change their accounting practices at will and in any manner they wish. And, under the present rules the Government can't object and doesn't have the people to check. Here is the surest way you can save money in Government procurement—by really delving into this miasma, providing the necessary tools, and requiring enforcement. There is a clear contrast between the expertise and rationality used by industry when they do their own purchasing, with the obfuscation that often surrounds their actions relative to those who buy from them.

I would now like to talk about the assistance I have gotten from the Department of Commerce under the Defense Production Act.

Mrs. SULLIVAN. Before the admiral goes into that, may I just ask one question?

I wanted to ask how you would cure this problem that you have been discussing, but you answered that question.

Admiral RICKOVER. I have a remedy, Mrs. Sullivan.

Mrs. SULLIVAN. But can you tell me, how can we force this, do we need legislation to do it?

Admiral RICKOVER. Mrs. Sullivan, you will not get a remedy without legislation, because if you write a nonletter to the Department of Commerce or to the Department of Defense you will get a nonreply. My definition of a nonletter is one you write, well knowing you are not going to get a responsive answer. The human mind has a strange capacity for adjustment and self-deception when confronted with an unpleasant truth, and bureaucracy has devised many and marvelous ways of casting psuedolight on issues in their nonreplies to Congress.

Language may be perverted and its real meaning eventually destroyed when it is used for the purpose of protecting an institution or an organization.

I believe you would be foolish to tackle it via the letterwriting route. You will get studies and more studies. You will probably be Senator or Governor of your State, or President of the United States before you get more than a nonanswer.

Mrs. SULLIVAN. The reason I ask this question is that we had some very questionable things brought to my attention and I had the committee charged with this responsibility check into it. First, they sent it immediately to the Department of Defense and I got one of these type answers that you describe. I was told, in the problem I brought to their attention, that the matter was perfectly all right.

Admiral RICKOVER. A nonanswer.

Mrs. SULLIVAN. Yes, sir. Then I demanded that the GAO go into it, and it took them almost 8 months to investigate and come back with an