

this subject before the House of Representatives Appropriations Committee.

As a result of that testimony, Congress reiterated its position by writing into the fiscal year 1968 Department of Defense Appropriations Act a prohibition against paying the costs of advertising by any Defense contractors except for the three cases I mentioned.

The record is clear that Congress' intent in writing this provision into law was to extend the present Armed Services Procurement Regulation provisions, which apply to reimbursement of advertising costs under CPFF contracts, so as to prohibit reimbursement of advertising costs as an element of cost on any negotiated contract, except advertising paid from profits.

I know of no effort underway within the Department of Defense to reappraise its policies with regard to the reimbursement of advertising costs to Defense contractors in spite of their being aware of Congress' concern and mandate in this matter.

It is not only the matter of the taxpayer picking up the tab for advancing the interests of private corporations and individuals that concerns me. Many of these advertisements do damage to the security of the United States.

VALUABLE TECHNICAL INFORMATION GIVEN TO POTENTIAL ENEMIES THROUGH ADVERTISING OF MILITARY EQUIPMENT BY DEFENSE CONTRACTORS

A substantial amount of technical information regarding this country's military capabilities is being given away through this medium. I am not talking about classified information now. A great deal of unclassified information pertaining to techniques used in manufacturing military hardware is very valuable to our potential enemies. A recent statement attributed to a former Communist spy says in effect that the Soviet Military Attaché's Office in this country is able to acquire openly and without subterfuge 95 percent of the material it needs to meet its intelligence objectives.

He stated that in most other countries Soviet-bloc agents must devote 90 percent of their time in clandestine efforts to obtain information readily found in American publications.

Let me give you an example of what I am talking about. The March 1968 issue of Armed Forces Management magazine devotes 51 out of 88 pages to advertising by Defense contractors. Information is given on the following:

- A new breed of tactical radar altimeter;
- A new helicopter being used in Vietnam;
- The Nation's first variable stability training system used in the F-106B jet interceptor to simulate a wide variety of aircraft;
- An aircraft integrated data system, which monitors, measures, and records vital aircraft flight performance parameters;
- A new crane helicopter;
- A multipurpose airmobile combat-support vehicle;
- The F-111 tactical fighter hydraulic systems;
- Electronic reconnaissance, surveillance and active countermeasures systems; and
- The F-4 Phantom jet.

Many magazines are issued each month similar to this one. Please note that the Government is the sole customer for nearly all the items being advertised.