

and release unneeded real properties valued at billions of dollars thus building rather than eroding the tax base.

On December 30, 1960, I wrote to Secretary-Designate McNamara urging that a number of actions be taken along these lines.² He has gone to work with courage, unparalleled ability and tenacity, and has made tremendous progress in improving both the organization and management of the Defense Establishment. In so doing, cost reductions of several billions of dollars annually have been achieved by adopting, among others, many of the suggestions of this subcommittee.³ In the process of determined action, toes have been trod upon, oxen gored, and hostility encountered which is inevitable.

Errors may have been committed and certainly much remains to be done in carving more fat and waste as this report reveals but I urge everyone to view our suggestions and recommendations against the background of the scope of the job and the unprecedented accomplishments. We must not undermine either the greatly improved structure or its chief architect nor on the other hand relax our efforts toward further progress.

The subcommittee is indebted to all the witnesses and contributors to our hearings and especially to Comptroller General Staats and his staff for three excellent reports prepared at our request.⁴ The results from these alone will improve the supply processes and save millions of dollars.

Faithfully yours,

PAUL H. DOUGLAS,

Chairman, Subcommittee on Federal Procurement and Regulation.

² For full text see Report, July 1963, pp. 39-40.

³ See Secretary McNamara's testimony Hearings, 1966 pp. 4; 6-17. See also pp. 80, 110; 144-145.

⁴ See App. 4, p. 240; App. 5, p. 273; App. 6, p. 289.