

I think we got to the heart of some of the problems. However, we will be on these individual problems for years to come until they are solved.

CONSTRUCTION CONTRACT IN -VIETNAM

Senator SYMINGTON. One final series of questions. Thanks to your office, I talked with your people in Thailand. They told me on one group of private contractors—I throw this in to present that the Government does not make all the mistakes—worth \$300 million, a group of private contractors, they, the contractors, had lost \$140 million. That seems to be par for the course. Did anyone yet find out where the \$140 million went?

Mr. STAATS. I do not think we have. We have a report in process that is coming to the Congress in another 10 days or 2 weeks which we are going to outline all of our findings on the construction contract in Vietnam. But Mr. Stovall might want to respond further on this particular point that you are referring to.

Senator SYMINGTON. Incidentally, I was impressed with your men out there. They seemed to know what they were talking about.

Mr. STAATS. This is Mr. Stovall.

Mr. STOVALL. I am Director of the International Division.

We have this work that was being done in Thailand while you were there, being brought together now. We do plan a report on it. I do not know the results of it yet. It is just being put together now. It will be a successor report to our review of the construction in Vietnam because we hope to sort of link the two of them together, particularly in relation to the use of excesses. But we do not have a clear answer to your question.

RÉSUMÉ OF REPORT ON CONSTRUCTION IN VIETNAM

Senator SYMINGTON. Mr. Chairman, would it be in order to ask unanimous consent that a résumé of that report be inserted at this point?

Chairman PROXMIRE. Yes, indeed.

Senator SYMINGTON. Thank you.

(The information requested, subsequently supplied by GAO, follows:)

The report of the United States General Accounting Office on its survey of United States construction activities in the Republic of Vietnam will show that the joint venture contractor, known as RMK-BRJ, which was performing about three-fourths of the total construction, has been unable to maintain control over the hundreds of millions of dollars worth of materials and equipment that have been purchased and shipped to Vietnam for the construction program. The contractor was not prepared to control the receipt, storage, and issue of the steady stream of materials and equipment that began to arrive in Vietnam as a result of the tremendous escalation of the construction program in late 1965 and early 1966.

The report will show that the contractor was unable to cope with the mounting problem of controlling these supplies and equipment which were unidentified, unsegregated, and unprotected from the elements or theft. The magnitude of this problem is illustrated by the fact that at the time of the General Accounting Office survey, the contractor could not account for the whereabouts of approximately \$120 million worth of materials which had been shipped to Vietnam from the United States. These materials were accounted for in the contractor's books as being in transit; however, the contractor's representative having re-