Mr. MONAGAN. Mr. Zaretzky, was any property given away of this total?

Mr. ZARETZKY. Given away?

Mr. MONAGAN. Yes.

Mr. ZARETZKY. In France?

Mr. MONAGAN. Or any place. Primarily in France.

Mr. ZARETZKY. I don't know of any property that was given away.

Mr. MONAGAN. Is there any legal provision or agreement whereby the French have some kind of option to acquire any of this property?

Mr. ZARETZKY. No, sir. I have a legal paper on this. We checked that immediately, and they have no right to prior or first refusal—some sort of word like that.

Mr. MONAGAN. That is the point. There was a rumor that they had the right to pick up this property, and they were expecting to get it at excessively low prices and things like that.

Mr. ZARETZKY. No, sir. We checked that immediately when this happened.

Mr. MONAGAN. Then furnish that opinion for the record. That may be inserted at this point.

(The following information was supplied by the Department of Defense:)

An agreement on the procedures to be followed in the disposal by U.S. military forces in France of their excess property was executed between the Government of France, as represented by its chief of the Central Liaison Mission for Assistance to the Allied Armies, and the Government of the United States, as represented by the commanding general, U.S. Army Communications Zone Europe, on January 30, 1954, and amended on February 10, 1959. This agreement is currently in effect. It does not provide for any option or right of first refusal in the French to acquire any of the property.

Mr. MONAGAN. Now, you talk about the budgetary savings as a result of the relocation being $50 to $60 million annually. That comes from the fact that you have fewer people there, isn't that so?

Mr. ZARETZKY. Yes, sir. Fewer depots to operate.

Mr. MONAGAN. If you wanted to have a really outstanding savings on that basis, you could pull everybody out?

Mr. ZARETZKY. Absolutely.

Mr. MONAGAN. I don't think it is any great point. I mean, it is arithmetic.

Mr. ST GERMAIN. It would be terrible if there hadn't been a saving, Mr. Chairman.

Mr. MONAGAN. The same would apply to foreign exchange savings. You are basing this calculation, I gather, on the 18,000-odd troops and an additional number of dependents that were taken out of France. That doesn't include the 35,000 that are coming out of NATO in addition to this?

Mr. ZARETZKY. It does not.

Mr. MONAGAN. But those are combat troops, the 35,000 troops, whereas these are support troops?

Mr. ZARETZKY. That is right.

Mr. MONAGAN. Of course, we are not going into the political questions that are involved here, but there would be a great many opinions as to why this happened, and the desirability of these further cuts in NATO, but it is not our function to investigate those or talk about them.