

AID'S MISMANAGEMENT OF THE EXCESS PROPERTY PROGRAM 35
full logistical processes of each country using excess property. It will also mean that in each such country AID will have to tighten its surveillance over excess property and be prepared to take swift corrective action.

EXCESS PROPERTY PROGRAM REQUIRES A GREAT DEAL OF KNOW-HOW

In closing, I would simply like to say that we have had many problems in the administration of the excess property program. We believe we have identified most of these problems and that we have work underway to get them corrected. We would be pleased to receive any suggestions the subcommittee has on further improvements that might be undertaken. We would also be happy to maintain active consultation with the subcommittee as we go forward with changes in the program.

. . . A GREAT DEAL OF SUPERVISION

I would also like to add, Mr. Chairman, that I have had quite a bit of experience with surplus property on some of the jobs I have been on in the past. This is an extremely tricky and spotty business. In many instances, surplus property or excess property has been used watching the rehabilitation work on the Navy's trucks and vehicles in Tokyo, I noticed that every piece of equipment they had was taken down completely—practically a rebuilding job. Now, this is expensive. But it provides a vehicle that has a practically new-use capability.

What rehabilitation costs depends a great deal upon what is found after a vehicle is torn down. We have to maintain a fine balance on such things. In many instances, we have countries that could tear down equipment and rehabilitate it themselves. Some countries could take a piece of equipment if it is in operating condition, and then repair it when and if it breaks down, providing they have a good supply of spare parts.

PREREQUISITE—SELECTIVITY

There are other countries to which it is absolutely ridiculous to send excess equipment unless it has been completely torn down to be sure that there are no wornout components in the motor or elsewhere.