

So we are going to have to be more selective. We are going to have to be more selective in the type of equipment we acquire. Otherwise, our expenses will run too high, and there will be absolutely no incentive for a country to take this equipment. After all, we do want to push this equipment into the areas, substitute it for new equipment where we can, in order to save money, and also to make good use of it.

TIME, NOT SELECTIVITY THE FACTOR

I have found some areas where, undoubtedly, we have acquired property that we should not have acquired. For example, last spring when NATO had to pull out of France, hundreds of millions of dollars' worth of equipment were thrown on the market at once. As a result we acquired some equipment that we probably should not have acquired. We simply did not have the teams of experts, nor could we obtain them in the amount of time.

We have got to use more selectivity, and we have got to equip ourselves to be more selective. If we cannot get some of the Defense Department agencies to handle our rehabilitation work, we are also going to have to get this kind of expertise in our agency. We would prefer to get it from the agencies that have experience in this line. If we cannot, we will have to do it ourselves.

In many instances, we have requested the Defense agencies to provide services for us. In many cases, they have. But because of their own requirements, they have had to taper off and we have had to take our work to private contractors. And this is part of the problem.

Senator GRUENING. Mr. Lee, I want to congratulate you on taking the position that you have that the findings of the subcommittee were valid, and that AID has fallen short in many respects in these fields, and that you are going to make every effort to correct these shortcomings.

I think that is a very fine and proper attitude. The subcommittee will continue to observe these actions and see how effectively and rapidly the reforms are made.

Let me ask you another question. When you were Governor of Samoa, were you able to acquire any surplus property?