

3. A standard data processing system for field units is now being tested at Fort Hood, Tex. (CS₃).

In conclusion, I should like to point out that our reviews have indicated that the Army is able to support its combat operations in Vietnam. Although there were shortages of some supplies, we found no indications that missions were not accomplished because of logistics problems. It is our view, however, that Army supply operations worldwide can be improved and that even more effective support can be accomplished at a lower cost through improved worldwide inventory data, more effective supply discipline, and standardization of systems.

Mr. Chairman, this concludes our prepared statement, and we would be pleased to answer any questions that you or the members may have.

Mr. HOLIFIELD. Thank you, Mr. Fasick. Mr. Horton?

SUPPLY CONTROL IN VIETNAM

Mr. HORTON. Mr. Chairman, I think it is a very comprehensive report. I did want to ask a couple of questions that are not covered in here. You have touched on the broad problem.

With regard to Vietnam, you don't talk in here in connection with control of equipment and supplies and the like too much. I was concerned about some of the comments that are being made today in the press, and there was an article recently in the Saturday Evening Post by Mr. Lederer, concerned with some of our equipment and supplies ending up in the hands of the black market.

Did your report go into that type of control?

Mr. FASICK. No; not in this particular review, although our International Division did look into some aspects of this area, but I'm not prepared to discuss that.

Mr. HORTON. I didn't mean to talk about that specifically. I was concerned with the problem of control and safeguarding equipment that is over in Vietnam.

Mr. FASICK. I think in the area of military supplies that there was a problem which was brought about because of chaotic storage conditions that existed in Vietnam. For example, the 506th Depot in Saigon was right down in the market area. It was very difficult to control. But I think the Army has done a rather good job in the past year or so of improving control over supplies received, in storage, and while in transit to the using units. This was the subject of an internal audit report on the part of the Army, and I think they have taken some strong steps in the meantime to overcome it.

Most of the problems I think that were alluded to in these articles in the press relate to some of the AID and other items.

Mr. HORTON. I understand that, but I was asking the question with regard to the military equipment, whether or not there is a problem there.

Mr. FASICK. I think the military are always alert, they know they have a problem. In conditions such as exist in Vietnam, I think they would have to admit they still have a problem. They are trying to minimize it, and from what we can discern, they are doing a fairly good job of this.