

something in Vietnam than in the 7th Army, it would have to get permission in the 7th Army under the command prerogative concept to move it. Whereas under a control concept they could move it if in the wisdom of the people at this level they determined it is more important to get it to Vietnam.

Mr. HORTON. Under the present system they don't even have that?

Mr. FASICK. They don't have visibility under the present system.

Mr. LUMAN. They don't even know there is excess in the 7th Army?

Mr. FASICK. That is right.

Mr. ROBACK. But you testified they have selected visibility for certain types of high value or critical items?

Mr. FASICK. On a selected number of items.

Mr. LUMAN. I think the Army's historical reply, as evidenced by the number of reports you have listed in your statement, when you draw these shortcomings to their attention, is to contend that they can rectify these wrongs through increased command emphasis and procedures and without a basic change in the system.

Mr. FASICK. We think the Army needs a basic change in its concept in order to overcome these problems. I don't believe that through command emphasis alone that it will completely alleviate the problems.

Mr. LUMAN. Do you think the present system and philosophy enables them to completely utilize the improvements made in communications, transportation and data processing over the past 10 or 15 years? The supply systems have new tools in the form of computers and high-speed communication and better transportation, tools that they didn't have, let's say, 15 years ago. Do you think the present Army philosophy of logistics as it exists today enables them to utilize fully these management tools in their logistics planning and carrying out their stockage functions?

Mr. FASICK. No, I think they have a capability to do a better job. On the other hand, we must recognize the scope of the activity in the logistics area has increased immensely, and this in itself required the high-speed communication and the sophisticated new types of equipment in order to hold their own. I think the point you are making is, that if they don't change, they are wasting, in effect, the equipment they now have. I think the equipment they have is necessary even under the present concept they have. It is essential to it. I believe, however, if they changed their concept, that the equipment and the capability of equipment available today would facilitate the new concept more so than possibly it would have 10 or 15 years ago.

CHALLENGE SYSTEM

Mr. LUMAN. In the challenge system, where you have a disagreement with the Army on high-priority requisitions, their counterproposal to your last report was essentially to render a report to the commander of any unit if that unit exceeded 25 percent in high-priority requisitions. Is that their general approach to the problem?

Mr. FASICK. As I understand it, this is their general approach, and also to admonish the commanders to adhere to the criteria that have been established. On the other hand, under the conditions that the people live under, for example, in Vietnam or any other part of the Army system, there will be a tendency to strain the system. Within this