

Now we report certain items quarterly, and we report certain items monthly, and some of these items are reported down to and including the field troop unit level.

In addition to this, we have an intensive management regulation, which came out earlier this year, on which we have been working for some time, which gives AMC the responsibility of saying that any particular item requires intensive management.

The field commander can contribute to this. This ties in with the critical items list that is involved in our hearing.

The field commander can contribute to this. At this point this regulation specifies that the Army Materiel Command can make worldwide redistribution within Army assets available, so that I point these out only because these are some of the items which indicate the fact that, first of all, AMC does not stop when you come to the waterline of continental United States; and, secondly, that there are procedures and controls today.

Now this does not question the fact that we can make improvements in this, and in fact we can justify the statement that says we are making improvements in this, including some other things we will talk about in the statement, sir.

Mr. ROBACK. Is an alternative to extending the control of AMC overseas pulling back of certain kinds of supply functions from the commanders to the United States?

General HEISER. That is a part of it; yes, sir.

Mr. ROBACK. Is that an alternative procedure?

General HEISER. Yes, sir.

In fact, right along that line, sir, one of the things we did, I might say over my objection as the man in the field at that time, was that we pulled back the requirements computation for the overseas reserve stockage from the overseas command to the Army Materiel Command.

The Army Materiel Command today is responsible for determining the requirements for war reserves in overseas theater.

I happened to be in the European theater at that time, and I felt very strongly that this was incorrect. I have now changed seats, and you change points of view. I now have a better reaction to this.

However, I still recognize that there are some fallacies in here that require close coordination, because the minute you centralize, you have to be careful that the man on the ground has a capability of reacting to the centralized kind of directive that takes place in terms of determination of requirements.

Mr. ROBACK. Since you were in the European theater, the communications zone activities—right?

General HEISER. Yes, sir.

Mr. ROBACK. Can you give us at this point an overview of what changes are taking place in the U.S. supply concept and disposition in Europe?

General HEISER. Yes, sir.

Mr. ROBACK. As it affects the communications zone and anything else of relevance to our discussion.

General HEISER. Sir, first of all, recognizing that there are limits in terms of military and civilian resources available to us, particularly in overseas theaters not directly involved in combat, and included in this are the various implications of flow of gold, the U.S. Army, Europe,