

asset control shortly. Problems related to the U.S. Army Missile Command's asset visibility and performance were also observed in Europe and the United States during 1965 and 1967, and it was found that corrective procedures had not been implemented to provide for accurate authorization of mission essential parts.

The Army, generally, concurred in the findings and immediate assistance was provided to correct deficiencies and along with other actions, inexperienced personnel were replaced.

The detailed review of missile logistic support by the General Accounting Office at various Army commands has provided us a basis for further consideration and application of weapons system management similar to that of the Air Force, providing the desired far-reaching control by a national level manager. The various weapons system management programs are representative of strides taken toward this goal.

In 1966, the installation of computers for logistic management was considered premature by the General Accounting Office because of deficiencies in record and document discipline. The Army proceeded with plans to provide standardized logistic systems in U.S. Army, Pacific, as a major step in achieving the operational control necessary, and the final General Accounting Office report recognized the problems related to withdrawal of the computers that were installed in late 1965 and 1966 with recommendation that basis weaknesses in operating systems be corrected prior to future installation of automatic data processing equipment.

General Accounting Office has substantially contributed to the improvement efforts presented. There is no doubt of our desire to be responsive to the assistance provided.

OVERSEAS SUPPLY OWNERSHIP AND ASSET VISIBILITY—COMMAND AND LOGISTIC RELATIONSHIP

There have been several inquiries by members of the subcommittee staff concerning the possibility of reorganization as an approach to obtaining better asset control at overseas locations. I am specifically referring to the Department of Army's study of possible extension of the Army Materiel Command's activities overseas.

There are a number of advantages during peacetime for extension of Army Materiel Command control to depot stocks overseas. There are a number of serious problems in assumption of operational control overseas, and I think we have talked about some of these problems earlier.

The study presented many desirable objectives that are not realistic in today's environment or under several possible combat situations. It appears more practical to utilize improved communications and Army Materiel Command national inventory control point capability as they develop, to return logistic management functions to the United States, thus improving management while contributing to the reduction of expenditures overseas. The implementation of Army Materiel Command asset visibility for super high-dollar value items is a demonstration of the Army's action to extend Army Materiel Command's asset visibility overseas.