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DEFENSE DIVISION

UNITED STATES GENERAL ACCOUNTING OFFIC

WASHINGTON, D. 2054

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Dear Mr. Secretary:

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The General Accounting Office reviewed certain of the logistical actions taken by the Eighth U. S. Army incident to the reduction of U. S. troop strengths in Korea. At the completion of our review in July 1971, approximately one-half of the Army's excess equipment generated as the result of the reduction had been redistributed to the Republic of Korea forces. The overall redistribution program is expected to be completed by July 1972.

Our primary objectives were (1) to examine into the adequacy of controls for the receipt, accounting for, and redistribution of equipment turned in by departing units and (2) to evaluate the effectiveness of the Army's actions to reduce the flow of material in the supply pipeline in recognition of the reduced requirements of the remaining U. S. forces.

We did not review the requirements or the capabilities of Korean military organizations to maintain and utilize equipment which was turned over to them. We are planning to initiate a review of these matters in the near future.

We concluded that the logistical actions taken at the time of our review by the Army incidental to the force reduction were planned and executed with reasonable effectiveness. The turn-in of equipment was controlled adequately, and the flow of materials to Korea was being appropriately reduced. Further, depot stockage levels were reduced in recognition of decreasing demands.

The Army, in managing the logistical aspects of the force reduction in Korea, evidently was benefiting from the experience gained during the movement of U. S. forces from France and the phasedown of U. S. military activities in Vietnam.

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During our review, we made several suggestions to Eighth Army officials for improving the procedures for interservice screening, reduction of stock levels, and cancellation of outstanding requisitions. In each of these instances, the command took appropriate corrective action.

Copies of this report are being sent today to the Secretary of the Army.

We wish to express our appreciation for the cooperation and courtesies extended to our staff during this review.

Sincerely yours,

. KUU

The Honorable

The Secretary of Defense

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