

GAO Charge

Pentagon 'Hid' Aid to Saigon

Washington

The Pentagon has been hiding from Congress the total amount it spends to support South Vietnam and used bureaucratic devices last fall to block an investigation, the General Accounting Office (GAO) charged in a report released yesterday.

The document, dated February 12, was made public by Representative Patricia Schroeder (Dem-Colo.) who demanded a full inquiry by the House Armed Services Committee in a letter to its chairman, Representative F. Edward Hebert (Dem-L.A.). She threatened to pursue the issue through the GAO if he didn't comply.

The GAO report, signed by Comptroller General Elmer B. Staats, said a limited inquiry begun last summer at Mrs. Schroeder's request showed "that DOD's reports to the Congress have not reflected the entire value of contracts" written to buy support services and supplies for South Vietnam. DOD is the Defense Department.

Staats cited a 1972 report that showed the Pentagon

had understated by \$400 million — more than a quarter of the total — the amount of aid it sent to Vietnam in 1971.

He said when the GAO sought last summer to audit how much the Army and Air Force were actually spending, however, it was told that the estimates submitted to Congress "did not necessarily have a direct relationship to actual obligations."

When his auditors pursued the matter, they were told that contracts let to buy support and services for the South Vietnamese could not be matched with what the Pentagon had told Congress the money would be spent on when it asked for the funds.

Pentagon officials told the GAO that more than one contract could be let for the same service, that contract prices often "vary significantly from the budget price," and that the U.S. defense attache office in Saigon that let the contracts did not always adhere to budget descriptions.

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