

initiatives: realistic budgeting, implementing multiyear contracting, achieving more effective competition, improving readiness and support, increasing program stability, and achieving more economical production rates. Stressing these key initiatives will ensure better initial estimates of weapon costs and a sound acquisition strategy embodying the proper selection of techniques to fit each program. If those initiatives are to produce the efficiencies and economies we seek, hard decisions will have to be made by DoD and the Congress. The Defense Department must scrutinize closely all new starts and, on a selected basis, eliminate marginal weapon systems when required to provide funds for higher priority programs. It cannot continue to get the necessary funds by stretching programs. Congress needs to support DoD's efforts to assure program stability, in particular by providing the funding for the multiyear efforts and production rates that have been requested.

Reducing Waste, Fraud and Abuse

I understand that all the best management procedures in the world will only work if somebody is checking to insure they are being followed. In responding to the final topic you asked me to address -- Reducing Waste, Fraud, and Abuse -- I want to assure you that the Defense Department's auditors and investigators are actively and aggressively employed.

Secretary Weinberger created the Office of Review and Oversight shortly after arriving at the Pentagon. Through this office, he has made it well known that the elimination of fraud, waste, and abuse and the promotion of effectiveness, efficiency and