

F. A. S. PUBLIC INTEREST REPORT

Formerly the FAS Newsletter

SPECIAL ISSUE ON
THE MILITARY BUDGET AND SALT

Vol. 27, No. 3

March, 1974

MANAGING THE DEFENSE BUDGET: A CONGRESSIONAL STRATEGY

During a quarter century of cold war, Congress has never come to grips with the Defense Department budget except through its Committees. From 1949 to 1968, not a single authorization or appropriation bill for military spending was cut on the floor of either house.

In 1969 and in 1970, amendments to the Defense Department budget focused on the anti-ballistic missile. While they paved the way for the SALT Treaty prohibiting ABM (except at two sites) they did not pass.

In 1971, Senatorial critics of defense spending each concentrated on studying a particular questionable weapons system and offering related amendments. With isolated exceptions, these efforts were turned back.

Efforts were also made to place overall ceilings on appropriations, or to cut authorizations across the board, but without success. In 1973, the Senate opposition returned to considering a single weapon system, Trident—but failed to modify the program—while the House passed an overall cut in authorization, which the Senate rejected.

To some extent, the Armed Services and Defense Appropriations Committees have responded to general criticisms by Members outside the Committees by pre-emptively cutting the budget while in committee. But, generally, the views of the House and Senate at large have not significantly modified the Defense budget.

We think they should. The Defense Department budget is too large and too important to be left to the oversight Committees alone. And these Committees,

like all Congressional Committees, invariably find themselves somewhat stacked in favor of the agencies for which they are responsible. There has to be a viable mechanism for general Congressional involvement in the military budget. But what?

Apart from a few projects that are dangerous, destabilizing, or otherwise counterproductive, the Defense Department budget poses primarily the question of waste and inefficiency. It is our considered opinion that Congress cannot cope with this problem without imposing some kind of overall limit. The budget is too large, Congressional time is too short, and the problems of achieving consensus on specific cuts are usually overwhelming.

That the Defense Department *could* economize substantially, if so required, seems to us self-evident. DoD is a classic example of uncontrolled civilian and military bureaucracy; its redundancy, cost overruns, interservice logrolling, and general waste are clichés.

That the Department *should* economize is equally self-evident—it spends, after all, 30% of the Federal budget and 70% of the immediately controllable part of that budget. If every other agency is being forced to economize the Defense Department should too; that is, after all, where the big money can be

Continued on page 2

Approved by the FAS Executive Committee, this statement was reviewed and endorsed by the following specialists on various aspects of the problem: (See page 3 for credentials)

Dr. George B. Kistiakowsky

Dr. Morton H. Halperin

Mr. William Capron

Mr. Walter Slocombe

RECESSION OR INFLATION: THE DEFENSE CONNECTION

The main question posed by this year's military budget is "why?" Why did the President approve an almost \$100 billion budget carefully, but fraudulently, disguised as a \$92.6 billion budget with two supplemental requests to the past 1974 request? By artificially inflating the 1974 request, while reducing the 1975 request, he has tried to make them seem more equal. But an examination of projected defense *purchases* of goods and services reveals that the economy will be absorbing a 9% increase—an unprecedented increase for peacetime, one exceeded since World War II only during the Korean and Vietnamese build-ups.

The reason does not lie in an increasing threat. Gen-

erally the threat is declining and the first paragraph of the Defense Department's main release boasts "For the first time in 10 years the Defense budget does not include funds to support combat operations of U.S. forces any place in the world". There is, as always, something to complain about in the Soviet missile program. But the pace of that development program is actually slower than DoD expected, though more broadly based, and our own programmed modernization is going more swiftly and being done more effectively. Moreover, the changes in the Soviet missile program have at most very moderate

—Continued on page 3

found. And DoD is under far less control from the Office of Management and Budget than other agencies.

Obviously, the Department of Defense provides us with a very special benefit—security against attack. But, equally obviously, much that DoD is doing has no direct relevance to our security. And efforts to economize, with the reorganizations they engender, often strengthen overall efficiency.

It is easy enough to describe the many areas of defense spending that could be cut, and over the years we have. The problem, evidently, is getting Congress to agree. This year, we have decided to propose a means and mechanism for Congressional action—a Congressional strategy as it were of cutting the budget. Leaving aside our own views about the degree of waste, and thinking instead of how to organize the cuts, we suggest the following approach.

In the first place, the Congress would note the rate of inflation applicable to Defense Department spending e.g. this year it was 6%. Thus a 6% increase in appropriations would essentially hold the Defense Department budget constant in purchasing power. Congress would then reach a consensus on a percentage of desired economy which we might call an economy dividend e.g. 3%. The Department would be given the inflation increase minus the economy dividend rate or 3% ($6\% - 3\% = 3\%$). (In cases involving supplemental appropriations, we would allocate the supplementals to the earlier year or later year budget as seemed appropriate.) For this year, in which enormous increases have been asked, our approach would urge a \$10-billion cut in a \$95 billion proposed budget. But it would result in an increase in dollars over the last year's budget. (For the treatment of the supplemental appropriations asked see the table on page 4.)

Our approach has several advantages. First, it is not a one-time affair. Congress could repeat this process each year until it was satisfied that the fat in the Defense Department budget had been squeezed out. Five years of such 3% cuts would provide a 14% cut in real dollars and would go a long way toward slimming down a defense establishment that has grown without comparable restraint for 25 years.

Second, after a first year, the process is gradual, providing the DoD leadership with fair warning of the need to economize. Third, no Congressman need ever vote to cut the Defense budget below the year before since inflation is likely to stay higher than the economy factor.

Fourth, the Congress need only reach consensus on the 2%, 3% or 4% level of economy it desires rather than on some necessarily arbitrary figure of \$80 or \$90 billion.

Above all, it bases spending firmly on the spending of the year before, a procedure that is traditionally emphasized in Congressional considerations. Finally, it permits a minority of sympathetic Congressmen to propose this constant refrain until the approach is accepted by a majority, rather than requiring them

to start anew each year with new numerical limits—confronting new and invariably padded proposals of the Defense Department. (Needless to say, it does not preclude other cuts or increases favored by a majority because conditions have changed.)

Underlying this approach is an observation that must have struck every thinking citizen during the President's State of the Union Address. The President emphasized peace abroad and new relationships with former adversaries. Was there any justification in the emerging world environment for ever higher defense expenditures? This is a question which Congress should answer as a whole. Expecting, as we do, that a majority of Congressmen agree with us that the answer is "no", we recommend to them the mechanism set forth above: constant dollar limits modified by economy incentives.

FAS

Chairman: PHILIP MORRISON

Vice Chairman: CHRISTIAN B. ANFINSEN*

Secretary: HERBERT SCOVILLE, JR.

Treasurer: HERBERT F. YORK

Director: JEREMY J. STONE

The Federation of American Scientists is a unique, non-profit, civic organization, licensed to lobby in the public interest, and composed of natural and social scientists and engineers who are concerned with problems of science and society. Democratically organized with an elected National Council of 26 members, FAS was first organized in 1946 as the Federation of Atomic Scientists and has functioned as a conscience of the scientific community for more than a quarter century.

SPONSORS (partial list)

- | | |
|-----------------------------------|-----------------------------------|
| *Julius Axelrod (Biochemistry) | *Willis E. Lamb, Jr. (Physics) |
| *Kenneth J. Arrow (Economics) | *Wassily W. Leontief (Economics) |
| Leona Baumgartner (Pub. Health) | *S. E. Luria (Biology) |
| *Hans A. Bethe (Physics) | Robert Merton (Sociology) |
| *Konrad Bloch (Chemistry) | Matthew S. Meselson (Biology) |
| *Norman E. Borlaug (Wheat) | Neal E. Miller (Psychology) |
| Anne Pitts Carter (Economics) | Karl F. Meyer (Medicine) |
| *Owen Chamberlain (Physics) | Hans J. Morgenthau (Pol. Science) |
| Abram Chayes (Law) | Marston Morse (Mathematics) |
| *Leon N. Cooper (Physics) | *Robert S. Mulliken (Chemistry) |
| *Carl F. Cori (Biochemistry) | *Marshall Nirenberg (Biochem.) |
| Paul B. Corneley (Medicine) | Charles E. Osgood (Psychology) |
| *André Cournaud (Medicine) | *Linus Pauling (Chemistry) |
| *Max Delbruck (Biology) | George Polya (Mathematics) |
| John T. Edsall (Biology) | Oscar Rice (Physical Chemistry) |
| Paul R. Ehrlich (Biology) | *J. Robert Schrieffer (Physics) |
| Adrian Fisher (Law) | *Julian Schwinger (Physics) |
| Jerome D. Frank (Psychology) | Alice Kimball Smith (History) |
| John Kenneth Galbraith (Econ.) | Cyril S. Smith (Metallurgy) |
| Richard L. Garwin (Physics) | Robert M. Solow (Economics) |
| *Donald A. Glaser (Physics-Biol.) | *William H. Stein (Chemistry) |
| *H. K. Hartline (Physiology) | *Albert Szent-Györgyi (Biochem.) |
| *Alfred D. Hershey (Biology) | *Edward L. Tatum (Biochemistry) |
| Hudson Hoagland (Biology) | James Tobin (Economics) |
| *Robert W. Holley (Biochemistry) | *Charles H. Townes (Physics) |
| Marc Kac (Mathematics) | *Harold C. Urey (Chemistry) |
| George B. Kistiakowsky (Chem.) | *George Wald (Biology) |
| *Arthur Kornberg (Biochemistry) | Jerome B. Wiesner (Engineering) |
| *Polykarp Kusch (Physics) | C. S. Wu (Physics) |

NATIONAL COUNCIL MEMBERS (elected)

- | | |
|-----------------------------------|--------------------------------------|
| David Baltimore (Microbiology) | Laurence I. Moss (Engineering) |
| Harrison Brown (Geochemistry) | John R. Platt (Physics) |
| Nina Byers (Physics) | Joel Primack (Physics) |
| Barry M. Casper (Physics) | George W. Rathjens (Pol. Science) |
| Sidney Drell (Physics) | Marc J. Roberts (Economics) |
| Arthur W. Galston (Biology) | Leonard S. Rodberg (Physics) |
| Marvin L. Goldberger (Physics) | Joseph L. Sax (Environment) |
| Morton H. Halperin (Pol. Science) | Herbert Scoville, Jr. (Defense Pol.) |
| Garret Hardin (Human Ecology) | Eugene B. Skolnikoff (Pol. Sci.) |
| Denis Hayes (Environ. Policy) | Vigdor Teplitz (Physics) |
| Raphael Littauer (Physics) | Victor Weisskopf (Physics) |
| Franklin A. Long (Chemistry) | Herbert F. York (Physics) |
| Francis E. Low (Physics) | Quentin D. Young (Medicine) |

*Nobel Laureates

The FAS Public Interest Report is published 10 times/year at 203 C Street NE, Washington, D.C. 20002. Annual subscription \$15/year. (However, please note that members of FAS receive the FAS Professional Bulletin and the FAS Public Interest Report as well as other membership benefits for a \$15 annual fee.) Second class postage paid at Washington, D.C.

Continued from page 1

strategic significance, and less financial import.

It has to be an economic motivation. They must have decided, at the last minute, to prime the pump with the defense budget to fight the expected recession. This is, of course, traditional. In the large military budget such additions are more easily hidden and are protected by the President's rather greater relative primacy in foreign affairs.

But still, why? One searches the Economic Report of the President in vain. Indeed, it opens by saying:

"For eight years economic policy and the news about the economy have been dominated by inflation. The story has been a frustrating one . . . During the 8 years the inflation came in various forms—sometimes led by wages, sometimes by prices, by foods, by oil; sometimes it was domestic and sometimes imported. Many programs have been launched to stop it—without durable success. Inflation seems a hydra-headed monster . . ."

Is not inflation a more serious problem today than unemployment measured the only way one can—politically? Won't this increase in defense spending first fuel the inflation? Can the President gain support in this way in a year projected to have an 8% increase in GNP of which only 1% is real production?

Anyway, why take such a drastic step when no one has any real idea which way the economy is going to turn? The Council of Economic Advisors refers repeatedly to an "unusual degree of uncertainty" and suggests three possibilities that do neither more nor less than cover the entire waterfront: a) increase in production and new price pressures; b) contraction and rising unemployment; and c) moderate expansion. In short, anything can happen. The report notes pathetically: "After some period, probably after the first half of the year, the course of the economy will be influenced more by policies still to be adopted."

The President seems to be following the principle: When in doubt, spend, and do it on the military. Karl Marx must be smiling. □

CREDENTIALS OF CO-SIGNERS ON PAGE 1

Dr. George B. Kistiakowsky was the Presidential Science Advisor to President Eisenhower and is a former Vice-President of the National Academy of Sciences.

Mr. William Capron is Associate Dean of the Kennedy School of Government and a former Assistant Director of the Bureau of the Budget.

Dr. Morton H. Halperin was Deputy Assistant Secretary for Defense for Policy Planning and Arms Control under President Johnson and a former National Security Council staffer under President Nixon.

Mr. Walter Slocombe was a member of the National Security Council staff under President Nixon and Research Associate of the Institute for Strategic Studies (ISS).

CAN DoD COMPLY WITH THE FAS STRATEGY?

According to the adjoining table, the net budget cost of fiscal 1974, including genuine supplemental items, and a pay supplemental, was \$82.6 billion. The Department of Defense calculates that \$5.1 billion should be added to this year's budget to absorb inflation and pay increases. Thus a "constant" defense establishment would require \$87.7. The three percent cut would reduce this amount by \$2.6 billion to \$85.1 billion.

In short, the FAS strategy would ask DoD to get along with only \$2.5 billion *more* this year than last year plus any genuine supplementals arising out of unpredictable necessity. Is this so difficult? The Vietnamese war, unlike every other war in American history, is going to turn out—in any case—to be the first war which ended without any decline whatsoever in U.S. military spending!

As all Congressmen know, a great many analyses have shown the feasibility of cutting the defense budget by substantial percentages. In 1971, the National Urban Coalition review called for more than a 20% cut in the first year followed by another 15% cut in the next year; it detailed where these cuts might be made.

A well worked out McGovern Budget, in 1972, proposed specific cuts totaling one-third over a period of three years.

Little can be said directly about the Fiscal 1975 budget because the Administration has as yet provided so little information on it. But cuts proposed on the Fiscal 1974 budget would be of continuing applicability and they were substantial.

Fiscal 1974 budget cuts

A report to the Congress on the FY 1974 budget presented by 13 former government officials recommended a reduction of +14 billion. It was endorsed by former Deputy Undersecretaries of Defense, Roswell L. Gilpatric and William C. Foster, as well as former Assistant Secretary of Defense for International Security Affairs Paul C. Warnke, and former Acting Assistant Secretary of Defense for Systems Analysis Ivan Selin. The authors emphasized the changing international situation. They wrote:

"Now is the time when the defense budget should decline, not increase, to reflect a changing world. The President, in his cordial exchanges with Chinese and Soviet leaders, has repeatedly stressed the need for a relaxing of international tensions. The Nixon doctrine states that foreign allies are primarily responsible for their own security. The SALT negotiations should have begun to curb a dangerous nuclear arms race. The U.S. and Russia have begun to develop economic ties, with large-scale business exchanges, which imply the existence of long-term, stable relationships.

"As the President has repeatedly stated, we are in-

deed moving from an era of confrontation to one of negotiation. We still need a defense fully adequate to ensure our physical safety, but a general reduction in military funding would be consistent with that purpose in this new era. The Administration's proposal for increased military spending would, at best, mean a diversion of U.S. resources from urgent domestic needs. At worst, it could re-ignite the arms race, bring about new international crises, and jeopardize our national security."

The reductions they propose include \$4 billion for general purpose forces deriving in part from a reduction in Asian-oriented forces; \$3 billion in manpower efficiencies and \$3 billion from slowing down the modernization of strategic forces.

But it is not necessary even to adjust the defense budget to new emerging political relationships in order to provide substantial economies. In reviewing the Administration's Fiscal Year 1974 Budget, the Brookings study of national priorities considered three alternatives. Alternative two accepted the Administration's definition of American interests but suggested economies might nevertheless be made totaling \$3 billion in the first year, \$6 billion in the next year and \$10 billion by the fifth year. In effect, it called for holding the defense budget constant, in constant dollars, throughout the decade. The Brookings study summarized the option as follows:

"Alternative 2 is a defense posture designed to serve present purposes at lower cost. It is based on the view that large economies can be made in defense costs without modifying the U.S. definition of its interests abroad or appreciably affecting present military capabilities to protect or advance those interests.

"Major cost reductions would be concentrated in strategic forces and in manpower. In the case of strategic forces, the pace of modernization would be substantially moderated and the more marginal force elements, including the older model B-52 bombers and selected air defense units, would be eliminated. Manpower savings would arise from moderate reductions in support services and reserve forces and from changes in military pay policies, including retired pay benefits. The number of major force components—both strategic and general purpose—however, would remain virtually unchanged. But there would be reductions of over 100,000 in active military manpower and slightly less than 100,000 in defense civilian employment."

Still further reductions are possible if assessments of force requirements are changed. If forces provided for Europe were earmarked for a short, rather than a protracted, conflict, 50,000 men in Europe could be withdrawn. Strategic forces might rely upon a diad composed of bombers and submarine-launched missiles. Disengagement in Southeast Asia might be coupled with security alliances in Asia limited to Japan alone. Following this train of thought, a third Brookings alternative envisaged one-third cuts in conventional forces. Overall reductions were considered to be \$7 billion in the first year rising to \$26 billion by the fifth. To these cuts

The Efficiency/Economy Reduction in Constant Dollars: The Numbers (Defense Department and Military Assistance) Billions of Dollars Budget Authority

FY 74 Budget Costs		
Appropriated by Congress		80.7
Pay Supplemental		3.4
Readiness Supplemental (Genuine Supplemental Items) ¹		.7
Fuel Price Increase		.5
Middle East Paycheck		.2
Israel Emergency Aid ²		-2.2
Net Cost of FY74		82.6
Proposed FY 75 Budget (FAS)		
FY 74 Cost		82.6
Inflation and Pay Increases ³		5.1
Investment Programs	1.5	
Operating Programs	4.6	
FY 75 "Constant Dollar" Cost		87.7
Less 3% Efficiency/Economy Cut		-2.6
Proposed Budget Authority		85.1
Administrative FY 75 Request		95.0
FY 75 Budget	92.9	
"Readiness" Supplemental ¹	2.1	
Proposed FY 75 Budget Authority		85.1
Net Saving		9.9

1. The Administration has requested an FY74 Supplemental of \$2.8. Of this, two items—fuel price increases (\$480-million) and a Middle East paycheck (\$231-million)—are legitimately supplemental items reflecting unanticipated increases in the cost of approved forces. These items are included in the FY74 budget. The remainder of the supplemental to purchase new equipment is treated as part of the FY75 budget request.

2. The FY75 request contains no funds for Israel but the budget notes that a supplemental request might be made. Thus for purposes of comparing the 74 and 75 budgets this item should be excluded.

3. Department of Defense Press Release 43-74, Feb. 4, 1974.

could be added, for this year, the \$5 billion increase *not* related to inflation or higher wage rates.

And it is noteworthy that these and other proposals to cut the defense budget, or hold it constant in constant dollars, pinpoint necessary cuts. They overlook the very real possibility that *efficiencies* can make economies unnecessary. It ought to be a preeminent goal of Congressional limits on the defense budget to induce the Defense Department to squeeze more out of the funds provided, to think of ways to keep old commitments with fewer resources. Thus the Brookings alternative two, plus efforts to provide forces with more efficiency, might well be expected to provide the savings associated with the FAS proposal. □

SELLING THE BUDGET: GAMES THE PENTAGON PLAYS

The sleight of hand engaged in by the Defense Department to sell the present \$100 billion budget has aroused a certain degree of cynicism. The seven stratagems described below are mostly new. Trying to sell the Congress and the country on a budget of this size in the midst of a much-advertised detente has elicited considerable Pentagon ingenuity.

1. The Declining-Percentage-of-GNP Game

As has recently become a perennial phenomenon, the Administration proclaims that "national security" will take a lower percentage of the GNP in FY 75 than in any prior year since 1951. An unstated premise is that the Pentagon is showing self-restraint in not insisting on a permanent right to some fixed share of the output of the nation. But in constant conditions, defense should take a constantly declining share of a growing economy's output.

2. The The-Defense-Budget-Isn't-Really-Rising Game

The Administration claims that the FY 75 budget, though at record levels "in real terms means doing no more than holding our own as compared with FY 1974, for the \$5.5 billion increase is wholly consumed by pay and price increases." That argument, obviously, makes sense only if the increase is just \$5.5 billion—a figure credible only if you ignore the efforts of the Pentagon to retroactively increase the FY 74 budget by last-minute "supplementals" to make last year look high compared to FY 75. (See adjoining box).

3. The We-Own-What-We-Waste Game

The FY 75 budget plans a one-third division increase in the size of the Army, as the first stage of a three year "manpower efficiency" program that will eventually increase the Army by a full division. This unauthorized increase is admitted not to be based on any change in the threat or the need for ground forces. In Secretary Schlesinger's words, the extra division is an "incentive" to the Army to cooperate with his program to shrink swollen headquarters, manpower, and other support costs. This amounts to giving the Army—and one assumes the other services, as well—a permanent claim on every dollar saved by eliminating their past waste and inefficiency, lest they sabotage the efficiency program!

4. The Suddenly-Discovered-"Readiness"-Requirements Game

The newly presented request includes \$2.8 billion—almost half again as much as the \$2.05 billion requested for energy research and development—for something described as "maintaining the desired readiness level of U.S. forces." This money is supposedly largely to correct "the most urgent deficiencies in the condition of our forces that were made apparent by the Middle East hostilities."

But on examination, it turns out that this new lesson of military science exposed among the sands of the Sinai is that if it is to be ready to fight, a military force needs ammunition, adequate maintenance, equipment that is ready to use, no bottleneck shortages of critical weapons

HOW LARGE IS THE INCREASE IN THE DEFENSE BUDGET?

SECRETARY OF DEFENSE
JAMES R. SCHLESINGER

FIVE BILLION

"The FY 1975 budget request in TOA is 92.6 billion, an increase of \$5.5 billion over FY 74 . . . In real terms, moreover, it means doing no more than holding our own as compared to FY 1974, for the \$5.5 billion increase is wholly consumed by pay and price increase."

—Statement to Senate Armed Services Committee,
5 Feb. 1974

ARMED SERVICES COMMITTEE CHAIRMAN
SENATOR JOHN C. STENNIS

NINETEEN BILLION

"The funding request for the Department of Defense, which the President made yesterday as a part of his overall budget is in two forms: first, there is a supplemental FY 74 request totaling \$6.2 billion; and second, a FY 1975 Department of Defense request for budget authority totaling \$92.9 billion. The sum of these two requests is \$99.1 billion. This sum compares to \$80.2 billion, including the Military Assistance program, which was appropriated for the Department of Defense last year for FY 1974.

" . . . I think that these requests for a record peacetime budget require a most stringent review and adequate justification in the Congress; and whenever possible savings and reductions should be made."

5 February 1974

and equipment, and a way to reach the combat scene quickly—for these are the "urgent deficiencies" most of the readiness money would be used for. It is easy to believe that the Pentagon has been neglecting real combat readiness—but impossible to accept that its past neglect justifies emergency increases in funds when the men who have been in charge of managing the Pentagon for years finally acknowledge their past failures.

5. The We're-Weaker-Than-64-and-Can't-Risk-More Game

Not even the Pentagon expects to scare people very much by saying that there has been some reduction in our military machine since the Vietnam peak. So, the preferred comparison is with 1964, the last "peacetime" year before Vietnam. Secretary Schlesinger says "We maintain a much more modest defense establishment in 1974 than was considered necessary in peacetime only a decade ago."

Even in crude "bean-counting" terms, that claim is not very convincing. We have 70% more strategic missiles than in mid-1964, more than compensating for the decline in bombers. We maintain essentially the same numbers of tactical air wings. The Navy has the same number of attack carriers and three and one-half times as many

nuclear submarines. The Pentagon itself explains the decline in the number of surface warships as due to the retirement of "marginally effective ships." (Incidentally, as a recent Brookings Institution study showed, the much-vaunted Soviet Navy has also spent the 1960's retiring elderly vessels).

The number of ground divisions has declined from nineteen and one-third to sixteen and one-third, reflecting, one would assume, such facts as the Berlin build-up included in the 1964 force, the vastly increased cost of manpower relative to equipment, and the abandonment of plans to fight major land wars simultaneously in both Asia and Europe. Moreover, the 1974 forces are vastly more powerful than those maintained in 1964. To give just two examples, the 1964 missiles mounted about one thousand warheads. The force planned for the end of 1975 will have approximately 7,000 warheads. Similarly, only one of the 1964 carriers was nuclear powered and only 8 were post-World War II designs. Now, ten are post-World War II designs and two are nuclear powered. In general, the Pentagon "peacetime" forces for the 1970's are larger and more powerful than the 1964 establishment.

6. The Still-Ready-to-Fight-Anywhere Game

Secretary Schlesinger justifies maintaining so large a force in "peacetime" on the grounds that the threat has increased and "so have our foreign interests," while "our political commitments remain essentially constant." He adds, "Now we constitute democracy's first line of defense" and "deterrence must operate across the entire spectrum of possible contingencies." That we have worldwide interests and concerns one may agree. But that the events of the last decade have in no way changed the requirements that those interests put on our military force seems very doubtful. From other proclamations by the Administration, one would have thought that something had been learned in the last ten years about how much the United States really needs to maintain military forces to intervene directly in foreign countries. It turns out that, except for a modest reduction in ground divisions, that is not the case.

7. The Ever-Shifting-Rationale Game

No Pentagon procurement project ever lacks a rationale. The problem is that the rationale in one year does not necessarily relate to those of the previous or subsequent years. A particularly vivid example this year is AWACS, the airborne warning and command system, a radar-loaded Boeing 707 which would, at a cost of about \$55 million, provide command and control for air defense. This hugely expensive project was originally touted as an essential part of the United States continental air defense system against Soviet strategic attack. This year the Department of Defense has finally decided (as FAS has urged for years) that since we have no defense against the much larger Soviet missile threat, there is little point in spending huge amounts to defend against the much smaller threat of 140 obsolete and obsolescent Soviet strategic bombers. But this decision is not allowed to interfere with spending an additional \$770 million for the program in FY 75. Only now, the same AWACS system is declared to be for support of tactical air. □

SALT, SCHLESINGER AND STRATEGY

On SALT, FAS ideas are having considerable success. The February Report urged bilateral negotiated reductions of land-based missiles and was well covered by, among others, the New York Times, Washington Post and International Herald Tribune in their January 27 edition. On February 2, the Washington Post reported, in an exclusive interview, that the Director of the Arms Control and Disarmament Agency, Dr. Fred Iklé "said he would agree with a recent recommendation by the Federation of American Scientists to negotiate with the Soviet Union for a reduction of one-third of each side's land-based ICBM force over the next five years, with subsequent reductions to follow". The article surmised that the interview would not have been given without the approval of Secretary of State Henry A. Kissinger, to whom Dr. Iklé reports (when he does not report directly to the President).

On February 5, after the Secretary of Defense's opening summary of the Defense Department budget requests to the Senate Armed Services Committee, Dr. Schlesinger was asked by Senator Strom Thurmond (D. South Carolina) what he thought of the views expressed in the interview by Iklé. He indicated that "we are prepared to reduce if they are". And when asked why the Soviets would agree, he said it would be "reasonable for them to do so" because, otherwise, the United States would be forced to buy more weapons. (Later the Wall Street Journal and L.A. Times had editorials referring to the FAS proposal and treating it with some sympathy.)

No One Against Reductions?

Thus there are indications that major political forces within the Administration are ready to support negotiated reductions of land-based missiles. This is not surprising.

The doves want the SALT talks to move in the direction of real disarmament; they fear a permanent freeze might become a *fait accompli*.

The technicians and strategists agree because they see "instability" as the two land-based missile forces become increasingly vulnerable to each other; in particular, these forces may move toward firing on warning rather than waiting to ride out an attack. This is universally considered a dangerous development since, in such an event, a false alarm could trigger a war.

The hawks are agreeable because they consider the Soviet land-based force to be more powerful than ours (1610 missiles and some larger ones as opposed to 1054 on our side); they see reductions as a way of negotiating more equal numbers of land-based missiles.

Actually, the two land-based missile forces are probably startlingly equal in real overall effectiveness. The customary formula of missile effectiveness against hard targets is $M^{2/3}/(CEP)^2$ in which M is megatonnage and CEP is the standard measure of accuracy (i.e. radius of that circle in which 50% of the missiles will fall). Using .5 mile CEP for Soviet missiles, .25 mile CEP for U.S. missiles, and measures of warhead capability as provided by the Institute of Strategic Studies, one readily calculates that the effectiveness of the U.S. force is between 18,500 and 23,500 while that of the Soviet force is between

18,000 and 20,500. This is astonishingly close equality. (For Soviet SS-11s, and for some Minutemen, the tables show 1 or 2 megatons and this gives rise to the variance in these estimates. These estimates of effectiveness are much more sensitive to uncertainties in accuracy than in megatonnage.)

Of course, the hawks are worried that Soviet accuracy will increase from .5 miles to something better—but 'so will ours. Ultimately, every warhead on both sides will have such good accuracy that each will account for a high probability of destruction of a target. By then, with more than 8,000 warheads on our side, what difference will it make how many the Soviets have—especially since they are projected to have fewer? There will be more than enough even for destroying all Soviet land-based targets, even including 1600 S.U. missiles and all S.U. cities!

What we are witnessing is the capacity of the Defense Department to get itself excited over things that matter only to Defense Departments—and then to bargain accordingly. Today only generals consider the President disadvantaged by a missile imbalance—indeed one that doesn't exist! In a world of nuclear plenty, if anything matters to Soviet confidence, it is Watergate, our energy crisis, and our faltering economy.

By February 8, Senators Charles McC. Mathias and Edward M. Kennedy had introduced a resolution calling in effect for "equality through reductions"; it suggested that SALT negotiations disagreements should be resolved by *reducing* weapons rather than by building more. Twenty-six co-sponsors signed up promptly, including Senators Fulbright and Mansfield. Hearings are planned in both the Foreign Relations and Armed Services Committees.

The resolution defines equality as an "overall balance" of such disparate factors as quantitative factors, qualitative factors, and geographical asymmetries. These factors being incommensurable, it effectively leaves equality to the eye of the beholder where indeed it should lie.

Schlesinger: An Intellectual Hawk

The new Secretary of Defense is certainly a unique character. He is intelligent enough to speak extemporaneously to the Senate Armed Services Committee; this leaves these much less articulate gentlemen somewhat laughably awed. And he is an intellectual, rather than a military, hawk freely conceding that the Soviet Union has a record of being "prudent and sober". An individualist whose bird-watching and hanging-out shirt-tails are widely celebrated, he seems unlikely to be talked out of anything of which he has become convinced.

His major contribution to strategy seems destined to be the addition of a new rung on the nuclear escalation ladder—limited (i.e. isolated) missile attacks as shows of force and resolve. In this regard he reflects quite a narrow segment of U.S. strategic thinking, a throwback to that Herman Kahn era of expect-anything and prepare-for-everything. Like that experienced debater, he loves attacking from the blind side and hectors the Senate Armed Services Committee on the dangers of "automaticity" in nuclear response, even pounding lightly on the table. It is quite a performance.

Not only in technology, but also in strategic analysis,

LATEST (CONFLICTING) CLUES TO ADMINISTRATION VIEWS

Secretary Schlesinger: "We are not seeking to develop a major counterforce capability . . . our emphasis is upon selectivity and flexibility, that does not necessarily involve what is referred to as major counterforce capabilities. That is an option preferably that will be rejected by both sides." (January 24 news conference. *Italics added.*)

General George S. Brown (Air Force Chief of Staff): "We should continue development of other improvements such as improved guidance to provide *additional options* which are required by the flexible targeting doctrine recently announced by the Secretary of Defense". (February 7, 1974 to Senate Armed Services Committee). (*Italics added.*)

INTERPRETATION: "Major counterforce capabilities" is, in the present context, synonymous with developing higher accuracy and putting it on already programmed large numbers of already programmed warheads. General Brown wishes to encourage such high accuracy, and for this purpose, but gets his prepared comment through the DoD review process by linking it to "additional options"—a notion already approved.

America forces the pace in the arms race. Not a word in Soviet strategic literature suggests that isolated nuclear attacks might work as shows of force. Quite the contrary; the Russians show every indication that all-out (spasm) war would result from anything like that. But in the name of being prepared for their acting in this way, we are planning to take the lead in doing so—this can only lead them to give the matter more consideration and to plan for such attacks themselves.

Why talk so much about it? Why not just do it? Indeed, we have done it already. The flexibility of being able to hit more than one target has long been with us. According to *MIRV and the Arms Race* by Ronald L. Tammen, even our Minuteman II had the memory necessary for eight different targets!

It is argued that we need very high accuracy so that we can save civilian lives in our show of force. How absurd can you get—playing games with hundreds of millions of lives and talking of saving a few hundred? Why not just choose the targets for the show of force so that no civilians live nearby—isolated dams and such? For shows of force, the specific target does not much matter. One can always fit the target to the technology.

The accuracy part of the problem is under intense debate in the Administration because it costs money and because it will lead to substantial instability in the arms race. It is not clear whether Schlesinger is intensely wedded to buying the higher accuracy.

But he does want the ability to hit the Russians in limited attacks and he does want to talk about it. The net result will be to make nuclear war more likely by providing—through this new rung—a nice series of escalatory steps where there had been one big firebreak.

First we could have limited strategic attacks—isolated uses of nuclear weapons. Then there would be pre-emptive wide-scale attacks by land-based missiles, firing on warning at each other. Finally we would have esoteric low-confidence efforts to destroy command and control centers and nuclear submarines. These attacks would be undertaken in a spirit of desperation, in a world that seemed likely to be blowing up anyway.

Secretary Schlesinger thinks that the nuclear situation is stable. It would be if one did not lay on limited strategic attacks and, by adding this rung, complete the escalation ladder. Of the decision to start a nuclear war he says that there is “no danger that decision will be made lightly so long as we can rely upon the rationality of decision-makers”. With statements like that, who needs Dr. Strange-love?

Socalled “aggressive development program” has slow pace

Dr. Schlesinger is fond of saying that the “pace set by the Soviets will determine how fast we go” but of course this is not the whole story, since the two paces in question are not exactly objectively timed by impartial observers. For example the Secretary says that the “depth and breadth” of the Soviet advance has been surprising to us. Later he says that the “pace” has been slower! Evidently for purposes of alarming the public, “pace” can mean “depth and breadth” and not “pace”. The same Pentagon that is applauding itself for pulling ahead an unexpected five years in MIRV is screaming about the rate of Soviet technological advance. With double standards like this, the mere existence of the Soviet Union would be enough to trigger U.S. procurement programs.

Of course, Dr. Schlesinger says he wants to avoid “undue alarm”; the Soviet missile programs only give the “potentiality” of supremacy. But when has the Pentagon ever complained about the *existence* of Soviet supremacy? As Congressman Mahon once noted, the year of maximum danger is “always two years hence”. Today, it is 1980 or six years hence. This is progress—but not progress that the public will notice. □

NAVAL ARMS CONTROL: INDIAN OCEAN

The Navy is asking again for a base in Diego Garcia, an isolated island owned by the British in the midst of the Indian Ocean. The late Senator Richard Russell apparently opposed the base, much as he opposed fast deployment logistic ships, because he considered such capabilities too prone to encouraging unwise foreign interventions. (He did not oppose, however, airborne equivalent of these ships, the C-5A, which was being built in his own state, Georgia).

When the Senate Armed Services Committee heard Secretary of Defense Schlesinger on February 5, the first question asked by Chairman John Stennis was whether naval arms control negotiations in the Indian Ocean might not be possible. Saying the “race is on” for the Indian Ocean, he warned of the need to be “hard-headed” about where it might lead.

The Soviet Union’s General Secretary, Mr. Brezhnev, apparently shares Senator Stennis’s concerns about the ultimate course of naval rivalry. In June 1971, he said: “We have never considered, and do not now consider, that it is an ideal situation when the navies of the great powers are cruising about for long periods far from their own shores, and we are prepared to solve this problem, but to solve it, as they say, on an equal basis. On the basis of such principles, the Soviet Union is ready to discuss any proposals.”

He then referred to the Indian Ocean, as well as to the Mediterranean. There has been no public U.S. response.

What About Arms Control?

The Indian Ocean does indeed lend itself to some kind of naval agreement. It contains at present little U.S. or Soviet naval activity. The littoral countries are interested in having some kind of “sea of peace” maintained. And the Arab oil situation raises potential tension and provides immediate motivation. But time is urgent. Both the United States and the Soviet Union have begun a build up in the Indian Ocean and will soon have acquired vested interests in that area. □

IF THE FIRST TWO NUMERALS ABOVE YOUR NAME ARE “73”, PLEASE RENEW YOUR MEMBERSHIP OR SUBSCRIPTION FOR 1974 USING BLANK BELOW

FAS PUBLIC INTEREST REPORT (202) 546-3300
 203 C Street, N.E., Washington, D. C. 20002
 March 1974 Vol. 27, No. 3

**Second Class Postage
 Paid at
 Washington, D. C.**

**Return Postage
 Guaranteed**

I wish to renew membership for calendar year 1974.
 I wish to join FAS and receive both newsletters as a full member.
 Enclosed is my check for 1974 calendar year dues. (I am not a natural or social scientist, lawyer, doctor or engineer, but wish to become a non-voting associate member.)
 \$15 \$50 \$100 \$500 \$7.50
 Member Supporting Patron Life Student or Retired
 Subscription only: I do not wish to become a member but would like a subscription to:
 FAS Public Interest Report — \$15 for calendar year
 FAS Professional Bulletin — \$15 for calendar year
 Please note that members receive both newsletters and other benefits for \$15 dues.
 Enclosed is my tax deductible contribution of _____ to the FAS Fund for its 1976 Development Campaign.

NAME AND TITLE _____
 Please Print
 ADDRESS _____
 CITY AND STATE _____ Zip _____
 PRIMARY PROFESSIONAL DISCIPLINE: _____