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MEMORANDUM

NATIONAL SECURITY COUNCIL

Office of the Secretary of Defense  
Chief, RDD, ESD, WHS

July 19, 1982

~~SECRET~~

Date: 19 NOV 2018 Authority: EO 13526 r 5 U.S.C. § 552

Declassify: X Deny in Full: \_\_\_\_\_

ACTION

Declassify in Part: \_\_\_\_\_

Reason: \_\_\_\_\_

MDR: 18-M-1706

MEMORANDUM FOR WILLIAM P. CLARK

WPC HAS SEEN

THROUGH: RICHARD T. BOVERI  
FROM: ROBERT W. HELM  
SUBJECT: Defense Budget Projections

DECLASSIFIED IN FULL  
Authority: EO 13526  
Chief, Records & Declass Div, WHS  
Date: NOV 19 2018

In the memo at Tab III, Secretary Weinberger has written to the President opposing OMB Director Stockman's proposal that the defense figures in the First Concurrent Budget Resolution passed by Congress last month be used as the topline guidance for preparing the FY 1984 and FY 1985 defense budget. Secretary Weinberger feels that the defense projections for those years that were contained in the President's FY 1983 budget request should remain the topline planning guidance.

The differences, as portrayed by OMB, are substantial:

Defense  
(\$ billions)

	<u>83</u>		<u>84</u>		<u>85</u>	
	<u>Budget Authority</u>	<u>Outlays</u>	<u>Budget Authority</u>	<u>Outlays</u>	<u>Budget Authority</u>	<u>Outlays</u>
President's FY 1983 Request	257.5	215.9	284.7	247.0	330.9	285.5
Congres- sional Budget Resolution	246.1	206.9	271.1	235.4	314.6	270.5
Difference (+ Request)	-11.4	-9.0	-13.6	-11.6	-16.3	-15.0

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~~Revised on July 19, 1982~~

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Secretary Weinberger notes that, while the President agreed in meetings with the Senate leadership to accept Budget Resolution limits for FY 1983, no commitment was made to the FY 1984-1985 figures the Senate Budget Committee was proposing. Secretary Weinberger feels that these outyear figures are far too low and that the Administration must preserve the currently planned funding levels or confront serious military planning implications.

Stockman's position, which is not without merit, is economic and political in nature. He maintains that the President's support of the House Republican budget alternative implied support for the outyear defense numbers which were ultimately adopted. He states that Congress is under this impression and that complying with the Budget Resolution limits is critical to the credibility of the Administration's goal of deficit decline.

This is a major issue and its resolution will have profound national security and economic implications. The DOD is in the middle of its FY 1984 budget preparation cycle. Secretary Weinberger is correct in requesting a Presidential decision now as to what his planning guidance should be. He does not want a repeat of last summer's highly publicized debate nor does he want to go through the complete budget process and then have to redo it in September. Such exercises are very detrimental to effective programming in the Pentagon and inevitably promote inefficiency and harm the perception that the Administration's defense program is consistent and well-developed.

It is important that a Presidential decision on this question be obtained by the end of this month so that budget preparation can be based upon firm topline guidance. It is equally important, from the standpoint of coherent defense planning, that the decision, once made, not be changed at a later date.

#### Recommendation

1. That the Budget Review Board (BRB) review this important defense resource allocation issue and make a recommendation to the President.

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

2. That you sign the memorandum at Tab I to the President recommending that the BRB review this matter and Secretary Weinberger be informed by the President.

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

3. After the President's approval of a BRB, that you sign the memorandum at Tab II to OMB Director Stockman asking that the Budget Review Board meet to consider this matter and forward a recommendation to the President.

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

Horace Russell concurs.

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