330- 72-01 0x 75,000 200 1993

REMARKS OF SECRETARY OF DEFENSE SCHLESINGER
PRESENTED FOR THE RECORD AT THE
DEFENSE PLANNING COMMITTEE MEETING

(#23

December 7, 1973

DECLASSIFIED IN FULL
Authority: EO 13526
Chief, Records & Declass Div, WHS
Date:
OCT 2 6 2018

Mr. Chairman:

This meeting comes at a time of critical importance for the Alliance, a time when there is a fundamental question before us. The question is:

Where are we going as an Alliance? Do we have the will -- we certainly have the capacity -- to continue to stand together in defense of our common interests? Are we going to take seriously the security of Europe?

I sense a suspicion among our publics that the Alliance as an institution is suffering from hardening of the arteries, that it may be more relevant to the past than to the future. In the United States, there is also a strong and /growing feeling that Europe is able but unwilling to take Western security as seriously as does the United States, and is unwilling also to accept the financial and manpower obligations to defense that ought, in fairness, to flow from now fully recovered economies. We cannot allow these beliefs to persist if we are to sustain an adequate defense posture.

For our part, the United States is prepared to take the necessary security measures to help sustain European security provided that the Allies make an equal effort. With this in mind, my statement at the last DPC meeting was intended to begin a dialogue aimed at achieving two fundamental security objectives:

First, the construction of a satisfactory basis for maintaining an adequate overall NATO security posture for the long haul, including balanced forces with rational missions credible to our adversaries and ourselves.

Oction 12300

Designation

18-M-2037

Second, an equitable adjustment of burdens in order to put United
States participation in NATO, and the United States military presence in
Europe, on a solid, durable foundation acceptable to both the United States
Congress; and public, and to the Allies.

Everything that we set out to do last May was designed to serve these purposes — to make MATO's security posture either more effective, or more equitable, or both. I include here our discussions of the conventional balance, the work on force improvements, specialization, burden sharing, and of course the intense preparations for MBFR.

# The Conventional Balance

The matter of the conventional force balance, upon which I dwelt at some length last May, and which I have had the opportunity to discuss at length with a number of Ministers in the intervening months, is intimately bound to both objectives. A strong conventional capability, in the American judgment, is more than ever necessary in an era when the strategic and tactical nuclear resources of the Alliance are approximately matched by our potential adversaries. We ought not to permit the Pact to have a greater range of force options than NATO.

More immediately, for the United States, if there is no strong conventional capability, then there is no rational basis for keeping United States forces in Europe in their present numbers. I cannot make the point too strongly: the United States must show a viable mission for its forces in Europe, otherwise they will be legislated home -- and rightly so. If NATO's strategy is to be a trip-wire strategy I could not support the present level of American forces stationed in Europe.

To press forward with our efforts to build and maintain a fully adequate conventional posture, we need common understanding within NATO of what the current balance is. A detailed, realistic appraisal will enable us to make best use of our resources.

To contribute toward this goal, the Department of Defense has presented | over the past several months a briefing on studies we have conducted of the conventional balance. The studies we have prepared do not pretent to be the last word on the balance, although they are based

SECRET!

on the latest available data, and, in my judgment, reasonable assumptions. We recognize, of course, the need to give further study to certain aspects such as the logistics capabilities on both sides, the tactical air balance in the Center Region, and the critical air-ground interaction. I should point out, however, that the work we have so far done on logistics and on air forces reinforces our view that the NATO conventional option is not a hopeless one, and that NATO capabilities cover a wider spectrum of circumstances than has previously been understood.

Some have expressed reservations that the briefings presented only the so-called "30/23" case, that is, 30 days mobilization for the Pact and 23 days for NATO. The shorter warning cases deserve more detailed study, and we for our part are doing this. We will present the results as soon as possible. However, we do consider the "30/23" case a reasonable one.

I have heard some people say that the less pessimistic American view of the conventional balance will allow the inference to be drawn that NATO forces are wholly adequate and that budget and force reductions, either by the U.S. or by the other Allies, would not be damaging. Such an inference would be wholly inconsistent with the American view.

- -- Our view depends on current forces, all of them. If there are less than those forces, our analysis will not hold.
- -- If NATO does not keep pace in modernization, the analysis will not hold.
- -- If our forces are not ready, or do not have effective weapons, or can't outlast the Pact logistically, or can't work together, then the analysis will not hold.

SECRET

All of these conditions -- maintaining the force structure. modernization, readiness, building sufficient reserve stocks, command and control -- take a continued influx of funds.

There are also risks and uncertainties in the analysis. They pertain to readiness; responsiveness; participation of the French forces; and weapons effectiveness. None of these risks permit us to reduce our forces, or the tempo of our modernization programs.

We welcome a continued NATO dialogue on the balance. But we want a constructive dialogue, a "balanced" view of the balance, one that takes account of Pact weaknesses as well as strength, and NATO strengths as well as weaknesses. We want it based on the latest available data, taking into account the improvements we have made in NATO forces in recent years.

The first step will be to make MC-161 a more objective and realistic document. I have directed my staffs to strive for a finely balanced, objective assessment -- one that reflects Pact vulnerabilities and weaknesses as well as accomplishments.

A second step will be to understand fully what resources NATO has devoted to its conventional forces. This includes all the men, money and equipment spent on our defense establishments, not just those portions committed to NATO. These must be taken into proper account.

We have made a great deal of our data available already. Also, we have suggested that general distribution to capitals of the heretofore "Special Distribution Tables" of the DPQ replies would contribute to a better common appreciation of the substantial efforts of each country.

> Authority: EO 13526 Chief, Records & Declass Div. WHS OCT 26 2018

DECLASSIFIED IN FULL

I have already asked that U.S. Special Distribution Tables be generally distributed, and hope that other nations will follow suit. If more data is needed, we are prepared to help supply it.

The "net comparability assessment" being undertaken by the Military Committee we hope will be helpful. It should have national...

participation, and frequent review in capitals. We are prepared to provide technical and analytical support whenever feasible.

In summary, it is the U.S. view that as Soviet strategic capabilities grow to parity with the United States -- a point that may well be reached by the latter years of this decade as the Soviet Union deploys a MIRV capability -- deterrence will be much more certain if the Soviets perceive that there is a balance of conventional as well as of nuclear forces, and; that, therefore, they have no low-risk option for an attack on Europe. In saying this, we do not deny the importance of nuclear forces for NATO.

We say instead that deterrence is strengthened by closing off, in the Soviet mind, the convential option.

In our view, NATO has the essential ingredients to achieve an adequate conventional capability within these next crucial few years provided we keep up and do not diminish our defense efforts.

### Force Improvements

In this regard, I proposed last June certain force improvement programs which, in the U.S. judgment, were the first priority of the

DECLASSIFIED IN PART Authority: E0 13526 Chief, Records & Declass Div, WHS Date: OCT 2 6 2018

Ü



- OLUMET

AD-70 recommendations. These programs - aircraft protection, antitank weapons and war reserve stocks - were those we thought offered the best hope of substantial near term improvements in NATO capability at manageable additional cost.

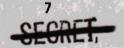
There has been some measure of agreement within the NATO councils on these. We should now get on with definite programs. We should build shelters as rapidly as possible while we examine further the merits of full coverage for all NATO aircraft.

We strongly support the Executive Working Group's call for all possible cooperation in increasing collocated bases for the beddown of United States augmentation aircraft. Here is a highly visible and inexpensive way to show progress in sharing defense burdens while increasing greatly the effectiveness of Allied forces overall.

We should spend more money on antitank weapons, both to replace older weapons and to increase their density within units. While we want to be cautious about drawing lessons prematurely from the Arab-Israeli fighting, one thing that was strongly reaffirmed by that conflict is the value of modern antitank weapons.

We should strive harder to achieve early consensus on common measures and criteria and a common policy for war reserve stocks. As a general guideline, NATO ought to have, and be seen to have, stocks sufficient to outlast the Pact. The EWG recommendations on this subject represent useful but limited progress. For example, we have agreed to identify our most critically needed munitions, and formulate programs to fulfill those needs. We should be able to do even better, and to agree on the direction of future action, even if stock levels for a number of years fall short of the ideal.

DECLASSIFIED IN FULL



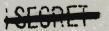
With regard to specialization, we have made a modest beginning.

The initial effort has understandably concentrated on the specific problems of equipment replacement raised by our Dutch friends. At the same time, the work done has served to illuminate the broader potential of specialization. There are trade-offs that should enable us to get a more effective collective defense from our inevitably limited resources. We will have some specific proposals to make in this regard, which we will table early in the new year, in time for consideration at our next meeting.

There seems to have been some progress made in reorganizing our air resources in the Center Region to permit better application of air power. The Military Committee's proposed reorganization is acceptable to us provided the new arrangements are worked out within existing staff resources. However, the job seems far from done. A swift and energetic follow-through is needed if there is in fact to be the genuine increase in flexibility that we seek.

## Burdensharing

Turning now to burdensharing, you are well aware how pressing a matter this is with the American Congress. The Jackson-Nunn Amendment has become law, and my government is required to achieve 100% offset for our FY 1974 balance of payments deficit, estimated at \$2.5 billion, or make proportionate reductions in our forces in Europe. That same amendment expresses the sense of the Congress that there must be a more equitable sharing of the defense burden in budgetary as well as balance of payments



terms. This seems to me to be a fair request on the part of the United States.

We have been in neoglations with the FRG for months now, and we are hopeful that a satisfactory offset agreement for Fiscal Years 1974 and 1975 will be achieved in the very near future. We had hoped that the other Allies would have by now made a multilateral burdensharing proposal, but this has not been the case. There has been useful work done in NATO councils in compiling the data and in suggesting a range of measures that might contribute to a solution, but there has been no proposal made. In light of this, we came forward last week with ideas and suggestions of our own, for your consideration. We do not put them forward rigidly, and we welcome discussion and alternative suggestions if other arrangements seem more appropriate. As you will see from the figures, when account is taken of the anticipated US-FRG offset agreement, and of the annual efforts already made by the Allies individually, the remaining deficit is not enormous. It should not be beyond our capacity to find reasonable ways to bridge the gap.

For the longer run, I strongly urge that we construct a formula that will permit an automatic adjustment of balance of payments deficits on defense account, so that no country suffers in this way because of its defense contribution to the Alliance. Naturally, account will have to be taken, in devising such a formula, of the overall balance of payments condition of each country. But automatic arrangements ought to be achievable, and I recommend that this be the next order of business after we complete the present negotiations. I do not have to tell you

SECRET

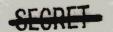
that our failure so far to achieve a more equitable sharing of defense responsibilities among the Allies, and our inability to find an automatic mechanism for offsetting our chronic balance of payments deficit, are confounding the efforts of my government to focus the annual debate on political and security considerations rather than on narrow financial circumstances.

### MBFR

In Vienna, MBFR talks are off to a fast, substantive start. It is too early to draw hard and fast conclusions about future pace, problems, and prospects. But we can identify elements that we should bear in mind as we proceed.

It is, first of all, notable that the East quickly tabled a proposal, and one less outrageous than it might have been. The East clearly has interests and objectives which it intends to pursue actively in negotiations, rather than sitting back and latting the West make the running. This provides us openings and opportunities. But it also places an increased premium on efficiency, firmness, and cohesion in Allied conduct of negotiations. This makes it all the more important to continue to give the Allied Ad Hoc Group the responsibility it needs to get the job done. It has performed splendidly thus far.

Secondly, the key elements of the job will be to hold hard to our objectives of a more stable balance and to the criterion of undiminished security. Neither would be served by mechanical reductions designed solely to maintain "the existing correlation of forces" in terms of nationality, type, and capability. Both would be served by the Allied



approach -- and this gives us a high ground in the negotiations which we should seize and hold.

Moreover, a more realistic and positive assessment of NATO's conventional defense capabilities is not tantamount to proclaiming the existing correlation of forces satisfactory. We do have substantial conventional defense capabilities -- and it is important that the East realize this. And throughout MBFR and beyond we will need to continue our efforts to realize the full potential of our investment. With this said, there remain objective disparitles in the critical conventional ground balance that any MBFR agreement must deal with if it is to enhance stability.

Finally, it will be critically important to resist any effort to damage the substance of Western European forces or to impair Western Europe's ability to assume a full share in its own defense.

In sum, we are already into a real negotiation in Vienna. The high standard of Allied consultation and cohesion we have established in MBFR offers us every hope of being able to deal with the problems and capitalize on the prospects facing us in Vienna.

#### Future Work Program

Finally, I would like to offer my thoughts on our work for the coming year. There is, first of all, the immediate need to come to substantial agreement on the conventional forces, and to achieve burden sharing agreements that will meet the needs of the next two years while we are making longer term arrangements. With respect to conventional forces, I repeat my strongly held views that NATO's conventional forces

are becoming more important, not less, as the strength of Soviet strategic forces grows -- not because we want to wage conventional war but because we do not wish to wage any war.

Then, there are a number of tasks which, in my judgement, are urgently in need of doing:

I. Making critical improvements in the forces. We should press on with needed force improvements: the follow-on tasks in the anti-tank weapon, shelters, and war reserve stock areas are not easy or automatic. In addition, we need mobile air defense systems with our field forces. Similarly, we should re-emphasize the lagging NATO programs for aircraft and air defense electronic countermeasure capabilities. We should also put special emphasis on modern sophisticated air-delivered munitions ("smart bombs"). We should now examine these deficiencies, with an eye toward establishing programs early in these areas.

## 2. NATO Force Planning.

In the broadest sense, we must now concentrate on making it possible for the Alliance and its forces to work together better, rather than on detailed individual country plans. This challenge has both political and military dimensions.

Politically, we Defense Ministers need to improve our dialogue on strategic interests within and outside the NATO area. NATO as we have recently witnessed can all too easily be affected, sometimes profoundly by what happens outside the treaty area.

Militarily, we Defense Ministers should seek to revitalize the NATO

Page determined to be Unclassified Reviewed Chief, RDD, WHS IAW EO 13526, Section 3.5 Date: OCT 2 6 2018

Page determined to be Unclassified Reviewed Chief, RDD, WHS IAW EO 13526, Section 3.5 Date:

OCT 26 2018

force planning system. We must recognize that there are not going to be large new forces or manpower, and that funds are not going to rise much faster than they have over the last three or four years. Therefore, our task is to make the best use of the available resources can be a common benefit.

NATO as an institution should provide a general sput to maintaining and improving forces. NATO should seek to prevent the letting down by any one country.

However, we should no longer pretend to do countries' planning and programming in any detail for them. We should not confuse the hortatory political process with actual planning.

But we should engage in the fullest and frankest sharing of detailed information on the forces we own and buy, recognizing the totality of our forces, not just what we formally commit. We should share fully the rationales behind decisions, and the reasons for experiments and innovations.

We will table specific proposals to revitalize the present planning system before the spring meeting.

3. Force Readiness. Insuring that the forces are ready and that they can work together are the most important responsibilities of the NATO military commanders. Our experience here -- among other things I think of the difficulties we have had in making more flexible use or our air assets -- does strongly suggest that we need to work much harder at this. The NATO Military Authorities can do a valuable job in the coordination task -- monitoring readiness and training, organizing and

Page determined to be Unclassified Reviewed Chief, RDD, WHS IAW EO 13526, Section 3.5 Date: OCT 2 6 2018

exercising command and control arrangements, and pushing a very few, definite programs, like EW equipment and aircraft shelters.

In addition, the United States has underway an examination of our air and sealift forces and other measures designed to move units to Europe on an accelerated schedule. I will report to you our results in due course. Also, we will want to continue to test our readiness in military exercises, and I will be recommending to the President and to the Congress in the FY 1975 budget a significantly larger exercise deployment of American forces to Europe next year than has been customary.

4. Defense Economies. I am convinced that there are substantial opportunities to make better use of our collective defense resources as we look to the next five years. There is, I am certain, more gold to be mined in the principle of specialization raised by the Netherlands. For example, we might be able to make better use of our existing combat forces in Europe, or to deploy combat forces to Europe in greater numbers in a shorter period, if our Allies would provide the logistic support for them. Or if the Federal Republic of Germany, for example, were to take over the current U.S. fixed air defense responsibilities, we might be able to apply the savings to combat forces in another role (which might well be less manpower intensive). We will soon put forward, for Alliance consideration, specific suggestions for greater specialization.

Similarly, there are areas for cooperation in armaments development and acquisition which we ought not to let pass if at all possible. I know this is an old story, but we should not be overwhelmed by unfavorable past experience. Our continuous duplication and proliferation of similar

Page determined to be Unclassified Reviewed Chief, RDD, WHS IAW EO 13526, Section 3.5 Date: OCT 2 6 2018

logistic resources. The lack of weapons standardization seriously impacts on interoperability of our forces. We should continue to look for constructive opportunities. As one initiative, the U.S. is presently evaluating three short-range air defense systems -- ROLAND, RAPIER, and CROTALE. -- which have been developed in Europe utilizing Europe's excellent technology. One of these systems probably will be selected by the U.S. to meet its requirement. Similarly, we are willing to share the AWACS, a system developed by the U.S. at an ultimate cost of \$i billion and containing our most advanced technology. The system is presently being evaluated on a high priority basis by CNAD and SHAPE for possible use in the upgrading of NATO air defense and command and control missions. We are also cooperating on VTOL technology. We have plans to cooperate in tank armament. There are other possibilities, and we Minsiters should make a determined effort to press on wherever practical.

There is also room for economies in NATO military staffs. With our manpower costs continually increasing, our defense budgets under severe restrictions, and anticipated reductions in forces in the context of MBFR, we should look now for economies in headquarters staffs. I believe that we have about 16,000 men on the NATO military staffs. I recommend that an examination of these staffs be made with an eye to reductions during the next two years of up to 30% of their total.

I would like to make a penultimate comment on Spain and NATO. In the context of the aggregate of conventional forces and facilities States again wishes to emphasize the value of Spain's contribution. Not only has Spain continued to make facilities available in support of the U.S. commitment to NATO, but it has made substantial progress in upgrading the quality of its own forces and facilities in a manner compatible with NATO standards. The Alliance should not take this for granted, but should develop a program of measures to encourage the eventual linkage of Spanish defense resources with those of NATO in the context of Europe's overall commitment to western defense.

Finally, I would like to conclude my remarks with a comment on the role of Defense Ministers in the continuing dialogue of the Alliance, and particularly within the DPC forum. I believe we must seek to discuss broader issues than have been the subject of recent agendas. We ought to discuss NATO's tasks as a whole, not just particular defense programs. We should address also the larger geopolitical issues. We should perhaps institutionalize the two-hour restricted session on our agenda, submitting our prepared statements for the record, so that we have time to discuss these larger issues in a less formal way.

I recommend that we begin a discussion at our next meeting on the long range future of United States forces in Europe. This is a topic that is on the minds of many, that is being discussed in various capitals, and it believe we defense ministers can contribute ideas of value in this

important matter.

Page determined to be Unclassified Reviewed Chief, RDD, WHS IAW E0 13526, Section 3.5 Date: OCT 2 6 2018 Office of the Secretary of Defense 5 U.S. C. 4552
Chief, RDD, ESD, WHS
Date: 260ct 2018 Authority: EO 13526
Declassify: \_\_\_\_\_ Deny in Full: \_\_\_\_\_
Declassify in Part: X
Reason: 3.3 (6/5)
MDR: 18 -M- 2037

16