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NSSM 207

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OPTIONS

"Urgent List"*

(\$1 billion with delivery
requested by April 1975)

Option IA: \$62 million
Option IB: \$102 million
Option IC: \$43 million
Option ID: \$72 million
Option IE: \$95 million
Option IF: \$76 million
Option IG: \$500 million

"MATMON B"

(\$15-20 billion with delivery
requested over the next decade)

Option IIA: \$200 million a year
Option IIB: \$300 million a year
Option IIC: \$400 million a year
Option IID: \$500 million a year
Option IE: \$750 million a year

* Excluding items put on "Special List". These items involve sensitive technology or are unavailable.

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MATMON-B

SELECTED ITEMS AND COSTS FROM \$40 BILLION
"MATMON B" OVER-ALL LIST

		<u>\$ Millions</u>
Tanks, M60A1	2,200	1,054.7
Mechanized Infantry Fighting Vehicle	7,500	591.5
LANCE Battalions	6 Bn (36 launchers)	281.0
175mm SP Artillery	15 Bn (126 how/guns)	93.0
155mm SP Artillery	24 Bn (432 howitzers)	182.4
155mm SP (XM-198)	9 Bn (162 howitzers)	90.0
F-14/15 Aircraft	300	6,257.9
AH-1 Cobra Attack Helicopters	100	220.0
Transport Aircraft	48 (KC-135, C-130 +)	393.6
Utility Helicopters	191 (CH-53, UTTAs)	480.0
SAM-D Batteries	24 (144 launchers)	840.0
CHAPPARAL/VULCAN Batteries	16 (192 each system)	240.0
HARPOON Missiles	100	Unknown
Ammunition stocks for 30 days of combat		1,000.0
Missile Boats	16	534.4
Patrol Boats	18	Unknown

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URGENT LIST

Selected Items and Costs from \$960 Million Urgent List

1. NEW ITEMS

LANCE Missile Battalions -	1	446.8 million
DRAGON Anti-Tank Missiles -	500	1.8 million
DRAGON launchers -	25	0.4 million
Mobile Assault Bridges -	1 system	18.2 million
Submersible Diver Vehicle -	8	5.2 million
AH-1 Cobra Attack Helicopters -	25	54.0 million
REDEYE Air Defense Missiles -	2,000	45.6 million
Laser Guided Bomb Designators -	20	16.1 million
Laser Guided Bombs -	1,000	7.0 million
Anti-Radiation Missiles AGM-78D -	200	30.0 million
CBU-72 Fuel-Air Bombs	3,000	6.0 million

2. ADVANCED DELIVERY TIMES FOR PREVIOUSLY APPROVED ITEMS

Tank M60A1 -	100	\$ 48.0 million
175 mm SP Artillery -	51	18.0 million
M-113A1 Armored Personnel Carrier	603	47.6 million
M-548 Cargo Carrier	100	6.7 million
M577A1 Command Post Carrier	104	8.6 million
TOW Anti-Tank Missiles	6,000	23.5 million
TOW Launchers	100	3.5 million
KC-130 Aerial Tankers -	2	21.0 million
Medium Coast Guard Cutters	1	10.0 million
SHRIKE Missiles -	650	19.6 million
CHAFF bombs -	2,600	0.9 million

3. IMPACT

Serious impact on U.S. force readiness: drawdown 72% prepositioned APC stocks in Europe; withdraw TOW from active Army units; leaving fill at less than 25% in Europe; preclude active Army REDEYE service training firing; increase USAF F-4E shortfall from 114 to 130 aircraft (7 squadrons); reduce SHRIKE inventory from 19% to 15%; withdraw all 175 mm guns in reserve components plus one active army battery; delay modernization of two reserve tank battalions until 1979. Will require delays on equipment promised in same time frame to Cambodia, Jordan, Saudi Arabia, some NATO countries, Korea and Ethiopia.

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MATMON B OPTIONS

- \$200 million would be less than that contained in the FY 75 Foreign Assistance Act; the sum of \$300 million in the current proposed legislation has not caused comment from the Arab states.
- \$300 million is the sum in the current proposed legislation; continuation at a constant level should not create problems.
- \$400 million would be a moderate increase, and would be an indication of increased concern; would tend to signal that the US was less certain about the success of negotiations and more concerned about Israeli security; however, the present sum of \$300 million MAP plus \$250 million supporting assistance actually exceeds the \$400 million level, and could be explained.
- \$500 million increases the perceptions of decreasing faith in negotiations and increasing apprehensions on security, and would probably cause problems in negotiations and relations with the Arab states unless counter-balanced with a major level of economic assistance or some similar US commitment.
- \$750 million and greater levels would probably cause considerable concern among the Arab states, and could be counter-productive in current negotiations and other diplomatic efforts.

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URGENT LIST OPTIONS

Response to NSSM 207

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Funding. Cost figures have been included with these options to permit easier differentiation among them, but it should be borne in mind that funding is not the critical issue with respect to Urgent List responses. The critical issue is that Israel wants a speed-up in deliveries of the items on the Urgent List, which in most cases would require diversion of DoD assets from active or reserve inventories. The cost of the full Urgent List is estimated to be approximately \$950 million, of which an estimated \$460 million is currently under contract. The remaining \$490 million could be met in part from FY 75 credits or by cash arrangements. It is theoretically possible to identify within each option the dollar values of items already under contract and those which would require new contracts but not within the time allowed.

Option I-A. Entails no significant increase in IDF combat capabilities and therefore has only marginal strategic effect. Represents a minimal response and includes only those items which can be delivered by 1 April 1975 from stocks or production with no adverse impact on US forces. Except for HOB0 and MAVERICK and to a lesser extent LAW, it includes no high interest items. It is considered to be a basic package and Options I-B through I-F are additive to it.

Option I-B. Represents modest improvement in IDF strategic position. Meets over half the Urgent List tank requirement but has no significant effect on the Arab-Israeli force ratios in tanks or APCs. It does improve the artillery ratio from 5.5 to 1 to about 5.0 to 1. Besides HOB0, MAVERICK and LAW, several other high interest items are included: tanks, APCs, artillery, TOW and M16A1 rifles. Impact on US forces remains minimal.

✓ Option I-C. Does not change the strategic situation greatly but eases IDF defensive problems by rounding out their defensive capabilities somewhat by including significant inputs of REDEYE, TOW and artillery. No significant change in tank and APC ratios but option meets half the Israeli TOW and REDEYE launcher requirements, more than a third of TOW missile requirements and reduces the Arab-Israeli artillery ratio to 4.8 to 1. Requires, however, fairly significant drawdowns of US inventories in these categories.

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Option I-D. Represents an increase in IDF offensive capabilities in that equipment sufficient to support two tank battalions (100 tanks) and six (+) mechanized infantry battalions (300 APCs), as well as SHRIKE missiles and a mobile assault bridge are included. There is a further small increment in artillery as well. Requires a drawdown on US forces of two reserve tank battalions and nine reserve artillery battalions.

Option I-E. Represents significant increase in both defensive and offensive capabilities. Responds in full to REDEYE and TOW requirements, includes equipment sufficient to support 10 mechanized infantry battalions (603 APCs) and adds a qualitative and psychological boost to the Israeli strategic position by including LANCE. The APCs included reduces the Arab-Israeli ratio in this item from 1.7 to 1.4 to 1. In addition to removing artillery and other systems from reserve units, will withdraw 72% of prepositioned APC stocks in Europe, divert from active army units TOW launchers which will require 12 months to replace, and preclude REDEYE service firing training in the active army for 24 months.

Option I-F. Inclusion of CBU 52/Bs and Electro-Optical Glide Bombs (EOGB II) enhances Israeli offensive capability by improving chances of neutralizing SAM sites. While forces are concentrated on one front for offensive operations, the significant quantities of REDEYE, TOW and artillery included in this option permits adequate defense on other fronts. In addition to removing artillery and other systems from reserve units, will withdraw 72% of prepositioned APC stocks in Europe, divert from active army units TOW launchers which will require 12 months to replace, and preclude REDEYE service firing training in the active army for 24 months.

Option I-G. Almost full acquiescence in Urgent List requests, with only items physically unavailable withheld, will provide significant increase in IDF offensive capabilities, including pre-emptive capability, based mainly on addition of LANCE, F-4E aircraft, CBUs, SHRIKE, EOGB II, and LGB. Arab-Israeli artillery ratio reduced from 5.5 to 4.5 to 1. Combat aircraft ratio reduced from 3.0 to 2.8 to 1. Serious impact on US force readiness. In addition to drawing down 72% of prepositioned APC stocks in Europe, withdrawing TOW from active units and precluding active army REDEYE service training firing, will: increase USAF F-4E shortfall in FY 75 from 114 to approximately 130 aircraft (7 + squadrons); reduce SHRIKE inventory from 19% to 15% of desired stock levels; require withdrawal of all 175mm guns in reserve components plus one

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active army battery and delay modernization of two more reserve tank battalions (17 vice 15) until 1979. Will also require delays in promised equipment deliveries to Jordan, Saudi Arabia, Ethiopia, Korea, Cambodia and some NATO countries. 4

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OPTION A
(Basic Package)

<u>ITEM</u>	<u>NR</u> *
Searchlight, Artillery	30
Carrier, Cargo M548	14 (of 100 requested)
Cartridge 105mm, Anti-personnel	5,000 (of 23,000 requested) **
Proximity Fuze	20,000
LAW	20,000
Propelled Charge for Breaching Minefields	176
Trucks, utility $\frac{1}{4}$ ton (jeeps)	700 (of 2450 requested)
Ambulance, $1\frac{1}{2}$ ton	80 (of 280 requested)
Cartridge, 106mm, Anti-personnel	2,000
Cartridge, 5.56mm	100 million (commercial purchase)
 Maverick AGM-65	 200
Chaff RR 150/160	192,000
Hobo, MK 84	280
Chaff Bomb, MJU 1/B	2,600
 Doppler Navigation System	 10 (commercial purchase)
Searchlight, Naval Mercury-Xenon	10 (in lieu of Xenon IKW)
 Sonar, Variable Depth	 12
DST Mines	200
Torpedo MK 46	50
 Field Cable, spiral	 1,000
Switchboard, Field SB 22	300
Wire, Field WD 110	10,000 miles
Battery, BA 4386	100,000
Generator, D.C. 1.5 KW	570

Dollar Value - \$62 million

*Fulfills Urgent List requirement for this item completely unless otherwise indicated.

**remainder in monthly increments of 5000 April - July 1975.

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Option IA
(Basic Package)

<u>ITEM</u>	<u>NR</u>
Searchlight, Artillery	30
Carrier, Cargo M548	14 (of 100 requested)
Cartridge 105mm, Anti-personnel	5,000 (of 23,000 requested)
Proximity Fuze	20,000
LAW	20,000
Propelled Charge for Breaching Minefields	176
Trucks, utility 1/4 ton (jeeps)	700 (of 2,450 requested)
Ambulance, 1 1/2 ton	80 (of 280 requested)
Cartridge, 106mm, Anti-personnel	2,000
Cartridge, 5.56mm	100 million (commercial purchase)
 Maverick AGM-65	 200
Chaff RR 150/160	192,000
Hobo, MK 84	280
Chaff Bomb, MJU 1/B	2,600
 Doppler Navigation System	 10 (commercial purchase)
Searchlight, Naval Mercury-Xenon	10 (in lieu of Xenon IKW)
 Sonar, Variable Depth	 12
DST Mines	200
Torpedo MK 46	50
 Field Cable, spiral	 1,000
Switchboard, Field SB 22	300
Wire, Field WD 110	10,000 miles
Battery, BA 4386	100,000
Generator, D.C. 1.5 KW	570

Dollar Value - \$62 million

Option IA. Entails no significant increase in IDF combat capabilities and therefore has only marginal strategic effect. Represents a minimal response and includes only those items which can be delivered by April 1, 1975, from stocks or production with no adverse impact on US forces. Except for HOBO and MAVERICK and to a lesser extent LAW, it includes no high interest items. It is considered to be a basic package and Options IB through IF are additive to it.

Option IB

<u>ITEM</u>	<u>INCREMENTAL INCREASE FROM OPTIONS IA</u>
175mm Self-Propelled Gun	13
REDEYE Air Defense Missile	200
M88 Tank Recovery Vehicles	5
TOW Launchers	25
TOW Missiles	1,500
M60A1 Tanks	55
M113A1 Armored Personnel Carrier	100
M577A1 Command Post Carrier	38
155mm Self-Propelled Howitzer (M109A1)	55
Jeep (1/4 Ton Truck)	1,750
M578 Armored Recovery Vehicle	4
M548 Tracked Cargo Carriers	26
M16A1 Rifles	80,000

Dollar Value - Increase from basic option \$102 million

TOTAL VALUE - \$164 million

Option IB. Represents modest improvement in IDF strategic position. Meets over half the Urgent List tank requirement but has no significant effect on the Arab-Israeli force ratios in tanks or APCs. It does improve the artillery capability. Besides HOB0, MAVERICK and LAW, several other high interest items are included: tanks, APCs, artillery, TOW and M16A1 rifles. Impact on US forces remains minimal. Increment provides new REDEYE air defense capability and full Israeli desires on M16 rifles.

MATMON B

Item	Israeli Requests		Rough Illustrative Equipment Packages of Major End Items Procurable Per Year at Selected Annual Funding Levels (in million in Constant Dollars)				
	Total in 5 yrs.	Total in 10 yrs.	\$200	\$300	\$400	\$500	\$750
Tanks	1,000	2,200	100	150	200	250	375
APCs	3,000	7,500	400	600	800	1,000	1,500
175/8" SP	119	226	50	75	100	120	120
155mm SP	514	604	100	150	200	250	375
LANCE	4 bns	4 bns	1 bn	1 bn	2 bns	3 bns	4 bns
COBRA	50	100	20	36	40	50	50
F-14/15	50	50	-	3	5	9	10
YF-16/M	-	250	-	-	-	-	-

NOTE: These calculations make no allowance for any procurement from Israeli budgeting.
Quantities shown are based on unit prices only; no spare parts, AGE, or other support equipment is included in the calculation. Inflationary factors would drive quantities downward.