APPENDICES

commission on the ORGANIZATION of the government FOR the conduct of FOREIGN POLICY

June, 1975

(IN SEVEN VOLUMES)

[volume IV]

Foreword

The Commission on the Organization of the Government for the Conduct of Foreign Policy has benefited greatly from the studies and analytic papers submitted to it by scholars and experts in various fields. Many of these contributions are published in this and companion volumes as appendices to the Commission Report. They are offered to the public in the hope of stimulating further discussion and analysis of the difficult issues of government organization to meet new needs. The views expressed, however, are the authors' own; they should not be construed to reflect the views of the Commission or of any agency of the government, Executive or Congressional. The views of the Commission itself are contained solely in its own Report.

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The Management Of Defense And Arms Control Issues

by Graham T. Allison, et al.

INTRODUCTION

This Appendix contains a major study, "The Management of Defense and Arms Control Issues," conducted for the Commission under the direction of Graham T. Allison. It is one in a series designed to assess the adequacy of current organizational arrangements for the formulation and conduct of particular forms of policy.*

Included in this work are more than twenty case studies on various aspects of defense and arms control decision-making. The cases are grouped into seven categories: Making defense budgets, acquiring weapons, formulating strategic doctrine, managing alliances, establishing arms control negotiating positions, conducting military operations, and controlling exports on national security grounds.

The study begins with an overview of the findings and implications of the case materials. Offering comments on the nature of organizational problems and on the general tasks which organizational arrangements must accomplish, as well as on particular problems raised by the cases, the overview presents an analysis of issues of government organization going well beyond the particular problems of defense and arms control policy.

ACKNOWLEDGMENTS

Appendix Volume IV presents an overview of findings and recommendations from the Defense and Arms Control Study plus summaries of more than twenty-five case analyses. A large number of individuals contributed in various ways to this product. Authors of the original case studies are: Arthur Alexander, Graham T. Allison, Barry E. Carter, Priscilla Clapp, Robert F. Coulam, J.P. Crecine, Edwin A. Deagle, I.M. Destler, Forrest Frank, Robert L. Gallucci, Richard Huff, Robert E. Klitgaard, Henry B. Miller, Robert W. Miller, Frederic A. Morris, Richard E. Neustadt, Burton R. Rosenthal, Henry S. Rowen, John D. Steinbruner, Gregory F. Treverton, and Jay Urwitz.

Parts II through VIII consist of case summaries compiled and edited by the project managers: J. P. Crecine, Richard Huff, Anne Karalekas, Robert E. Klitgaard, Frederic A. Morris, Burton R. Rosenthal, Henry S. Rowen, and Gregory F. Treverton. As general project manager, Anne Karalekas took primary responsibility for compiling the volume.

A group of senior advisors provided guidance about the overall conception and structure of the project and the selection of cases, as well as comments on particular cases and parts. The senior advisors included: Francis M. Bator, William M. Capron, Morton H. Halperin, Lawrence Lynn, James March, Ernest R. May, Richard E. Neustadt, Don K. Price, Henry S. Rowen, and Thomas C. Schelling. More people than we can acknowledge served as critics in commenting on various drafts of the cases. Those who made major contributions are cited in the individual cases. Several people played a more formal role as critics for many cases and to them—Morton H. Halperin, Mark Iwry, Arnold Kanter, and Spurgeon Keeny—we extend our special thanks.

The case studies could not have been researched without the aid of hundreds of present and past officials who graciously opened their files and their memories to the case writers. The researchers express their gratitude for the generosity with which these individuals gave of their time and effort. While we do not expect that they will agree with every statement or interpretation, we hope that they will accept this general acknowledgment as an individual expression of our appreciation.

Finally, this project must express its gratitude to

*The other three studies in this series are printed in Appendices B, H, and V.

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the Commission's National Security Committee for its guidance; to the Commission's staff for its instruction, persistence and patience; and to the Commission's Research Director, Peter Szanton, for his intellectual initiative and leadership that is reflected in every aspect of this project.

Graham T. Allison

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Overview of Findings And Recommendations From Defense And Arms Control Cases

BY GRAHAM T. ALLISON

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Summary

The aim of Part I is to draw from the collection of cases on defense and arms control more general findings that will be useful to the Commission's staff and to its Defense and Arms Control Subcommittee. The Project's mandate did not call for a program of specific recommendations. Rather, it asked for careful examination of a spectrum of representative decisions and actions in the realm of defense and arms control and, on that basis, wide-ranging exploration of inadequacies in current organizational changes. Following this mandate, this report does not make detailed recommendations about who specifically should do what in particular, nor does it attempt to sell any favorite recommendation—leaving those jobs for the Subcommittee's staff. Instead, it aims to stimulate thinking about these enormously difficult problems.

In contrast to traditional discussions of the problem of organizing for foreign affairs that alternate between high-level abstractions on the one hand, and low-level tactics on the other, this report proposes a middle-level conception of the problem. Here, *the central issue in organizing for foreign affairs is defined to be the vesting and weighting of perspectives and interests.* The existence or non-existence of particular departments and offices, the distribution of powers, procedures for concurrence or consultation, staffing patterns—these organizational arrangements advantage and disadvantage competing interests. The key question in organizing, therefore, is not organization *per se,* but *which* perspectives are introduced with *what* weights in the regular processes of decision and action.

This question is pursued throughout Part I. Three major problem areas—general functions or tasks performed by any governmental structure—are identified in its Chapter Two. After illustrating each task from the cases, we identify specific inadequacies in recent government organization and suggest a number of tentative recommendations. The three general tasks are:

- *Structuring the "Permanent Government."* In the aftermath of World War II, in response to problems of the Cold War, the U.S. established a Permanent Government. In contrast to the fewer than 400,000 employees of the government (military included) who concerned themselves with foreign affairs before 1940, the new establishment never numbered fewer than one million. Today, the national security establishment consists of more than four million people, 99% of whom are members of the Permanent Government, an executive establishment that does not change with Presidents and administrations. This Permanent Government is organized by department and agency, each responsible for a particular piece of the larger problem of "foreign affairs," each of which takes a deliberately parochial view of the larger problem. This "structure" includes not only the existence of particular departments and agencies but also the distribution of powers among them and the configuration of their parts in the routine procedures for identifying problems, gathering information, defining alternatives, making decisions, and taking actions. As such, it constitutes the largest part of our society's answer to the question of *which* interests and perspectives are in fact introduced with *what* weights in the regular processes of decision and action. The central issue about the current structure of the Permanent Government is whether the present balance of perspectives and interests, which were vested and weighted primarily in the 1940's to meet problems of the Cold War, are appropriate for achieving American purposes in the world of the late 1970's and 1980's.
- *Managing the Departments and Agencies.* Given the basic structure and processes of the "Permanent Government," the President and the members of his administration are responsible for managing the departments and agencies to produce effective performance. Created to pay special attention to particular aspects of a problem, departments develop their own conceptions of how they should fulfill their missions. But performance of mission according to departmental goals and routines does not assure an appropriate contribution to larger national objectives. The central issues in the Defense and Arms Control area are two: (1)

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whether the balance of influence between departments and their political managers is appropriate for the problems faced in the late 1970's and 1980's and (2) whether the skills of those charged with managing the great departments of our government given the instruments they control, are sufficient for the job.

- *Central Decision and Coordination.* Often ill-defined, indeed sometimes hardly recognized, central decision and coordination is *the* problem that has dominated discussion of organization for foreign affairs for the past decade and a half. In general, issues in foreign relations do not separate neatly into "security," "foreign policy," and "economic" pieces. Virtually no issue of importance falls exclusively within the domain and control of a single department. Inevitably, lots of day-to-day business is conducted on a decentralized basis by the departments, subject to routine clearance. But sometimes trade-offs must be made among goals, or priorities established among them. The central issues in the realm of Defense and Arms Control are three: (1) whether the principal formal mechanism for central coordination, the National Security Council, encompasses a sufficient breadth of perspectives for the problems of the present and future; (2) whether the sharp line between "foreign policy" issues and "domestic" issues reflected in both formal and informal coordinating mechanisms remains appropriate for current problems, and (3) whether the search for a single, dominant mechanism to perform the task of central decision and coordination should continue.

Part I, identifies five important sub-tasks. While these sub-tasks could have been discussed under the three major functions, each seems sufficiently important to merit further, separate attention. These subordinate tasks are:

- Implementation
- Articulating Foreign Policy Goals and Guidelines
- Attending to the Longer Run
- Assessing Foreign Governments
- Making *Ad Hoc* Adjustments for Personalities and Operating Styles.

Each section characterizes the task, illustrates it from the cases, identifies inadequacies in current arrangements, and presents a number of tentative recommendations for the Commission's consideration. The final chapter of Part I summarizes more specific findings and recommendations from the cases in each of seven policy areas: defense budgeting, weapons acquisition, strategic doctrine, alliance management, arms control, military operations, and export controls.

While this Report's major contribution to the Commission's staff and Subcommittee lies with its conception of the problem and its structuring of the problem in terms of major tasks, attendant inadequacies, and suggested changes, a number of important substantive themes do emerge in the discussion. Here we will highlight seven.

1. *The vesting and weighting of perspectives and interests embodied in the current national security establishment overemphasizes security defined narrowly in military terms as against broader security considerations and broader "foreign policy," "economic," and "domestic" concerns.* The current national security establishment—the structure of the Permanent Government, procedures for managing the departments, and mechanisms for central decision and coordination—emerged largely in the late 1940's in response to problems of the Cold War. While narrow national security concerns will remain central to American foreign policy, they are not likely to be as dominant as they were in the 1940's and 1950's. The implications of the changing environment of problems and the evolution of American policy for the structure of foreign policy-making should be profound. If this Project could find a formulation of the recommendation that did not sound frivolous, we would recommend that the Commission consider seriously a modern version of Thomas Jefferson's prescription of a little revolution every generation. This modern equivalent would call for a one-time revolution disestablishing the national security establishment: abolishing all departments, agencies, and coordinating mechanisms, and honorably discharging all members of the Permanent Government (who would be disqualified from serving in the next decade). Congress and the President would then proceed to fashion a new Executive branch, composed of new people, aimed at current and future problems. Obviously, no such revolution is feasible, and if it were, we would be forced to think harder about its desirability. But as a mental experiment, the Jeffersonian proposal has much to recommend it.

Except for the fact that this is now the way things are, why should the principal declarations of American *foreign* policy objectives and directives be Basic *National Security* Policy, *National Security* Action Memoranda, and *National Security* Decision Memoranda? Why should the principal formal forum for American foreign policy decisions be a *National Security* Council that includes the Secretaries of State and Defense as statutory members, and the Chairman of the Joint Chiefs of Staff and Director of CIA as regular participants, but excludes the Secretary of the Treas-

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ury? Why should assessment of foreign situations and inter-governmental debate about foreign developments include not only CIA, the State Department's Bureau of Intelligence and Research, and the intelligence arms of each of the services, but also a separate intelligence agency (in size comparable to CIA) that primarily represents the JCS? Why should the Defense budget alone escape external review by the Office of Management and Budget, and be presented by the Secretary of Defense rather than the Director of OMB? Why should four or five separate groups in Defense (the Office of the Secretary of Defense and each of the service Chiefs) assemble staffs larger than those of State (or most other Departments in Washington) for every foreign policy issue that touches defense? Why should the State Department now have at the Undersecretary level a strong, well-staffed representative of broader security and foreign policy interests in issues of Defense and Arms Control? The questions go on and on: structure and procedures for weapons acquisition, in the light of the increasing importance of new technology, the growing use of weapons for influencing perceptions of allies and potential enemies, and the role of weapons sales in our foreign and economic policies; structure and procedures for military operations, given the unalterable facts of nuclear weapons and instant world-wide communications; structure and procedures for arms control, given the near certainty of nuclear proliferation and the prospect of terrorist acquisition of means of mass destruction; structure and procedures for export controls, given the narrowing of the U.S.'s technological lead over the other industrial nations and the end of assured balance of trade surpluses; structure and procedures for managing and coordinating departments like Agriculture and Commerce to serve national policy interests like détente or trade. The theme should be clear: changes in the environment of problems and the nature of American foreign policy require substantial changes across the board in our foreign policy-making processes, in particular, changes that will broaden the dominant perspective from a narrower military definition of security to wider security, foreign policy and economic concerns.

2. *The handy distinction between "foreign" and "domestic" issues, which had been eroding for several decades, has now washed away—with significant consequences for current organizational arrangements.* Because of the tightening physical and economic interdependence of nations, virtually all policy problems of national importance have both domestic and foreign implications. Issues like energy, food, inflation, and trade are becoming crucial to our relations with other countries. For handling problems like these, we can no longer rely on policy-making processes designed as though foreign policy were discrete—the preserve, within broad limits, of the Executive—and that politics could still "stop at the water's edge." The organizational consequences of the breakdown of the distinction between "foreign" and "domestic" issues encompasses the design of both "domestic" and "foreign" agencies, their relations to one another and to the President, and the interaction of the Executive with Congress and the people. Should the chief forum in which interagency disputes are adjudicated remain a National Security Council on which the Chairman of the Joint Chiefs of Staff normally sits, but not the Secretaries of Treasury and Agriculture and the Chief Presidential economic and scientific advisors? Should the jurisdictions of Presidential assistants who manage the informal processes of coordination continue to be sharply defined in either "foreign" or "domestic" terms? How can "domestic" departments like Agriculture or Commerce, which have close relations with both their domestic clients and their Congressional subcommittees, be made to provide information, design alternatives, and implement actions that serve national policy objectives (including foreign policy goals)? How can coherent policies be forged from a process that gives so many competing interests a right to participate, or even a veto, both within the Executive and in Congressional committees? Given the vast array of implications—both "domestic" and "foreign"—of major policy issues, the search for a single, dominant coordinating mechanism becomes ever more futile. Debates about whether we need *either* a formal coordinating system (as under Eisenhower and Nixon) *or* an informal process (as under Roosevelt and Kennedy); whether we should demand *either* a bureaucratic consensus (as under Johnson) *or* an array of options (as under Nixon) should be superseded by a recognition that we will have, and will need, a number of untidily overlapping coordinating mechanisms. Discussion should focus on the relative merits for handling identifiable types of issues of the multiple coordinating mechanisms likely to coexist.

3. *Since the next decade will be a period of reassessment of the U.S. role in the world, a period of redefinition of the main lines of American foreign and defense policies, organizational arrangements should advantage the managers of change rather than the maintainers of current activity.* With the passing of Vietnam, and the transition from an era of Cold War confrontation to détente and negotiation, everyone seems agreed that a "total reassessment" of American

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foreign and defense policy is imperative. What is required is not simply retrenchment, but redefinition of American policy and commitments and redesign of contingency plans, forces, and weapons for the demands of the 1980's. The dichotomy between commitments and missions on the one hand, and capabilities given Defense budget levels on the other is but one symptom. After Vladivostok, in a period where the balance of terror is rather stable, imaginative arms control proposals will call for interference in the unbridled exploitation of technology in unilateral weapons development pressures, and in defense resource allocation. The conception, initiation, and management of needed changes will not be done by departments and agencies left to their own devices. Indeed, the growth of civil service regulation of departmental personnel—representing, in effect, unionization before technological and managerial rationalization—makes change exceedingly difficult. Nor can imagination, energy, and sustained involvement be supplied primarily from the White House. Instead, new ways must be found of strengthening Presidential appointees in the departments. Presidents will need to accept the risks involved in depending on their Cabinet Secretaries and their appointees, in consultation with relevant Congressional committees, to juggle many balls. This will mean Presidential appointment of stronger Secretaries, Assistant Secretaries, and Deputy Assistants, particularly individuals with longer-term commitments and substantive expertise in particular areas; Secretarial "teams" in the departments composed of individuals chosen by and responsible to strong Secretaries; and a great deal more managerial skill on the part of appointees, and understanding of the processes they are charged with managing, than has been common in the recent past. This will also require much more extensive development and use of management tools like independent staff analysis, of major policy choices, PPBS, implementation analysis, behavioral accounting and control, personnel control, and careful studies of the basic departmental decision process.

4. *On balance, the Permanent Government is too big, has too many incentives to expand, and has too few countervailing pressures for stabilization or contraction.* Governmental overweight is as much a problem in the domestic agencies as in the foreign policy sphere; it is perhaps even more vivid, given the growth patterns of the last decade, at the State and local levels. Cost is not the principal issue (though with one government employee for every five working citizens, cost is not irrelevant). Size is a problem, *per se,* generating its own work load, creating unnecessary layering, unnecessary clearances, and unnecessary intrusions on the time of officials working on problems of real importance. It is difficult to define criteria for determining how many employees are enough for most governmental tasks. But if one imagines that our modern equivalent of the Jeffersonian prescription had occurred, he can then ask what would be an appropriate and efficient number of people for some function or policy area he knows about. In some areas more people are needed, but in most areas fewer would be better. Secretary of State Kissinger's "one-man band" has a number of severe drawbacks, discussed below. But his ability to handle the major foreign policy issues with the aid of fewer than 100 (some would say ten) trusted assistants is suggestive. Most Ambassadors seem to feel that they could run a more efficient embassy with half the number of employees. Similarly, many Foreign Service Officers subscribe to the view that the Foreign Service should be cut in half—if all other Washington and embassy personnel were also halved. We need more imaginative devices for reducing the Permanent Government, both *selectively* as with Secretary of Defense Schlesinger's current program to cut command and headquarters personnel and *arbitrarily* as with Congressionally mandated reductions in forces. Because of the extreme, negative side effects of hiring freezes and civil service regulated reductions in force, we suggest (only half frivolously) that Congress consider establishing an equivalent of a draft lottery for selecting individuals to be returned to the private economy (with generous transition arrangements).

5. *Implementation is about half the problem in most important decisions and actions. Better ways must be found not only to improve policy-makers' ability to have their chosen policies faithfully implemented but to improve choices of Presidents and Congress by increasing their understanding of implementation obstacles.* The President and Congress dominate important decisions. Bureaucracies dominate implementation. People in operating organizations have perceptions, objectives, and constraints that differ from higher officials. Within broad lines of policy, as perceived by middle-level officials, choices will necessarily be made that correspond to *their* perceptions, interests, and problems. High officials' attention to, and understanding of, institutional factors that affect implementation have been poor. The issue, therefore, is how to narrow the gap between decision and implementation. Among the suggested recommendations are: regularly including explicit attention to implementation obstacles in analyses of major policy choices; developing and installing a staff capability for "implementation analysis" in the

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office of each Secretary, the President, and perhaps the Congressional Budget Office; and including more explicit instructions about implementation, and about specific actions that should be taken to reduce institutional impediments as an integral part of major policy decisions by President and Congress.

6. *Foreign assessment is becoming a more important element in American foreign policy, but the Department of State does not now perform this function well. A program should be undertaken to make foreign assessment THE comparative advantage of the State Department.* Foreign assessment involves understanding and predicting (making bets about) the actions of foreign governments and the impact of U.S. actions on other countries. With the growing interdependence between U.S. security and economic interests on the one hand, and the security and economic interests of other major industrial countries on the other, U.S. foreign policy choices must take more precise account of the effect of U.S. actions on foreign governments. As the line between "foreign" and "domestic" policy blurs beyond recognition, government choices that would have been regarded as purely internal affairs become important matters of international politics, e.g. Japanese decisions about inflation or German decisions about their national budget. Choices about actions that contribute to a "structure of peace" require careful judgments about trends in domestic politics of major nations and U.S. actions that affect these trends. While the Foreign Service includes some excellent political reporters, on balance, the Foreign Service's foreign assessment is poor: mostly descriptive rather than analytical, limited to politics narrowly defined, rarely hazarding predictions, and often avoiding English. The causes of this poor performance are complex, including the goals, training, access, incentives and rewards of FSO's on the one hand, and Washington's failure to pose sharp questions to the embassies on the other. A program for improving foreign assessment by the Foreign Service would include: designating foreign assessment the comparative advantage of the Foreign Service; training Foreign Service Officers in stronger methods of assessment; establishing regular procedures for evaluating political reporting and inserting evaluations in officers' efficiency reports; and establishing regular procedures for informing embassies about Washington concerns.

7. *With no illusions about ultimate success, the U.S. Government should be structured to create more pressure in favor of a longer-run perspective on problems faced and actions taken.* It is a commonplace that the U.S. Government mostly *reacts* to problems, often after they have hit the front page of the newspapers. Clichés capture pieces of the problem: deadlines drive action; the immediate displaces the important; the discount rate of time for government officials is very high. Each cliché points to aspects of the human condition, characteristic of action in other spheres as well as government. But the issue is one of more or less. This Report suggests a number of recommendations for building capabilities for deeper understanding of problems and better longer-run forecasts; strengthening staffs responsible for longer-run considerations; requiring justification of weapons systems authorizations in the context of projected second-decade needs; and making five-year rolling authorizations for major hardware items in the defense budget.

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Introduction*

I have come across men of letters who have written history without taking part in public life, and politicians who have concerned themselves with producing events without thinking about them. I have observed that the first are always inclined to find general causes, whereas the second, living in the midst of disconnected daily facts are prone to imagine that the wires they pull are the same as those that move the world. It is to be presumed that both are equally deceived.

Alexis de Tocqueville

This study starts from Tocqueville's presumption. Among the "general causes" insufficiently appreciated by men of affairs, none is more important than the subject of this Commission: the impact of *organization* on the conduct of *foreign policy*. As the Congressional authorization of the Commission insists, both "organization" and "foreign policy" are defined broadly: the former to include the establishment (or disestablishment) of departments and agencies, the assignment of powers, patterns of authority, methods of operation, personnel, and the like; [1] the latter to include the full array of actions (and inactions) by agents of the U.S. Government that importantly affect governments and people beyond U.S. borders.[2] The influence of organizational factors on decisions and actions of the U.S. Government in foreign affairs is pervasive, continuous, subtle, and little understood.

I. THE ESSENTIAL DIFFICULTY OF THE PROBLEM

How do current organization, structure, and procedures of the U.S. Government affect the foreign policy decisions the government makes and actions it takes? How should the U.S. Government be organized for the conduct of foreign policy? If taken seriously, these questions boggle the mind. To attempt to deny or obscure the essential difficulty of the problem the Commission faces would be misleading. The reasons for this essential difficulty are several:

1. *Events have outrun understanding. No one has demonstrated persuasively that organizational arrangements have important, predictable effects on decisions and actions. Careful, empirical analyses of how the U.S. Government has operated in recent years to achieve (or fail to achieve) U.S. objectives in dealing with major foreign policy problems do not exist.* This point is made powerfully by David Bell and Adam Yarmolinsky in a Memorandum of Comment attached to the report of a major recent private study aimed at the Commission's questions, the United Nations Association Panel's *Foreign Policy Decisionmaking: The New Dimension.* Bell and Yarmolinsky compliment their fellow panel members and the panel's staff. But they comment: "Our major concern is that while the report opens up the subject perceptively, it was not possible to develop a systematic and persuasive set of recommendations as to how the U.S. Government should be organized to op-

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[1]According to the Foreign Relations Authorization Act of 1972, "The Commission shall study and investigate the organization, methods of operation, and powers of all departments, agencies, independent establishments, and instrumentalities of the United States Government participating in the formulation and implementation of United States foreign policy and shall make recommendations which the Commission considers appropriate to provide improved governmental processes and programs in the formulation and implementation of such policy, but not limited to, recommendations with respect to—

(1) the reorganization of the departments, agencies, independent establishments, and instrumentalities of the executive branch participating in foreign policy matters;

(2) more effective arrangements between the executive branch and Congress, which will better enable each to carry out its constitutional responsibilities;

(3) improved procedures among departments, agencies, independent establishments, and instrumentalities of the United States Government to provide improved coordination and control with respect to the conduct of foreign policy;

(4) the abolition of services, activities, and functions not necessary to the efficient conduct of foreign policy; and

(5) other measures to promote peace, economy, efficiency, and improved administration of foreign policy."

[2]As former Secretary of State Dean Acheson told the Jackson Subcommittee on National Security, "Foreign policy is the whole of national policy looked at from the point of view of exigencies created by 'the vast external realm' beyond our borders. It is not a 'jurisdiction.' It is an orientation, a point of view, a measurement of values—today, perhaps, the most important one for national survival."

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erate effectively in a multilateral world. We do not fault the Panel, which met often and long, nor its staff, which was energetic and knowledgeable. We think the basic difficulty is that *events have outrun understanding.* Neither from government experts nor from academic scholars was the Panel able to obtain a satisfactory analysis, based on solid factual evidence, of what has actually been the experience in recent years of achieving U.S. objectives . . . and what that experience demonstrates about the best way to establish responsibility and leadership within the government." This situation has not changed in the year and a half since the UNA Panel's report. Neither in academia nor in government does there exist a systematic and comprehensive approach to the issue of organizing for foreign affairs: a coherent set of well-posed, answerable questions. Neither in government nor in academic circles does there exist a collection of careful, detailed, empirical analyses of typical instances in which the U.S. Government succeeded or failed in coping with major, representative problems of American foreign policy. (The Commission's cases represent the beginning of a partial exception to this generalization—of which more below.)

2. *Problems and Policy Precede Organization.* Logically, questions about how to organize for American foreign policy are subsidiary to questions about the substance of American foreign policy. First, one must identify the major problems posed by the international environment, determine American purposes and policies, and establish some degree of domestic consensus.

Some people assert this proposition loudly, trying to dismiss organization as a subject for study. Others, who want to study organization, try to deny the proposition, since they think it vitiates careful analysis of structure and process as independently important factors.

This study proceeds from the view that both the yea-sayers and nay-sayers miss most of the point. The proposition is essentially correct: assumptions about problems and purposes are logically prior to judgments about appropriate organizational machinery. The study of organization and structure as variables independent of problems and purposes is misguided. Indeed, the central and overriding problems of American foreign policy are less those of organizational machinery and more those of purpose and conception.

Although there is no agreement about the specific problems that will form the agenda of American foreign policy in the late 1970's and 1980's, other Commission research is making an effort to define some of the major types of problems that will face any American government and to make some assumptions about the general purposes of American foreign policy. Thus, the starting point for the Commission's new look at the organization of U.S. government for foreign affairs is analysis of the likely problems of the late 1970's and 1980's and some assumptions about American purposes and policies in dealing with these problems. With reference to problems and purposes, analysis can then attempt to evaluate performance of the current governmental machinery and to design more appropriate machinery.

3. *People and Organization.* It is frequently asserted that organization cannot be studied independently of the specific members of the organization. Proponents of the strongest form of this proposition maintain that organizational form doesn't matter: it's *all* a matter of good people. The Commission has heard testimony from high officials to this effect. In the extreme, the proposition holds that efforts to improve organizational performance by changing structure while keeping the same people is an adult's version of the child's game of reshuffling a column of numbers in the hope of getting them to add to a greater sum.

While there can be no gainsaying the importance of people, organizational studies have at least established that the same people arranged in different organizations (i.e. with different positions, incentives, etc.) produce different outputs.[3] Moreover, and more relevant to Commis-

[3]One would have thought that this argument was settled almost 200 years ago by Adam Smith in his analysis of the Pin Factory in *The Wealth of Nations* (1776). Since many people seem to have forgotten Smith's story, it bears quoting at length.

To take an example, therefore, from a very trifling manufacturer; but one in which the division of labor has very often been taken notice of, the trade of the pin-maker. A workman not educated at this business (which the division of labor has rendered a distinct trade), nor acquainted with the machinery employed in it (to the invention of which the same division of labor has probably given occasion), could scarce, perhaps, with his utmost industry, make one pin a day, and certainly could not make 20. But in the way in which this business is now carried on, not only the whole work is a peculiar trade, but it is divided into a number of branches of which the greater part are likewise peculiar trades. One man draws out the wire, another straightens it, a third cuts it, a fourth points it, a fifth grinds it, at the top for receiving the head; to make the head requires two or three distinct operations; to put it on is a peculiar business, to whiten the pins is another; it is even a trade by itself to put them into the paper; and the important business of making pins is, in this manner, divided into about eighteen distinct operations, which, in some manufactures, are all performed by distinct hands, though in others the same man will perform two or three of them. I have seen a small factory of this kind where ten men only were employed, and where some of them, consequently, performed two or three distinct operations. But though they were very poor, and therefore but indifferently accommodated with the necessary machinery, they could, when they exerted themselves, make among them about 12 lbs. of pins in a day. There are in a pound upwards of 4,000 pins of a middling size. Those ten

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sion concerns, the cases below show how organizational arrangements influence the considerations that get introduced in the normal processes of decision and even what comes to be perceived as "problems" requiring government action.

A more subtle form of the proposition about people and organization maintains that while organization counts, efficient organizational form cannot be determined without first specifying the personal characteristics of individuals. There can be no single-best structure for the NSC (given assumptions about problems and purposes) since Presidential styles differ.

The last form of this proposition is largely correct. Idiosyncracies of personality and style in Presidents or Secretaries of State are essential ingredients in organizational design. Especially at the top of the government, formal structure matters less than semiformal and informal processes, and people with their strengths, styles, and relations to one another. Could anyone feel confident about organizational recommendations for respective roles of the Secretary of State and the Assistant for National Security Affairs independent of whether Henry Kissinger was National Security Assistant and William Rogers Secretary of State or vice versa? Indeed, the extraordinary differences among Presidents of the last decade—Johnson, Nixon, and Ford—leave standing few categorical assertions of the 1960's that "every President must do this" or "no President could do that." The extent to which questions of foreign policy organization can be usefully addressed in the absence of specific assumptions about personalities is an issue that deserves careful attention. This study attempts to make some minimum, plausible assumptions and then to identify performance standards that almost any President or Secretary of State would expect from his foreign policy machinery. With reference to these outputs, we then consider likely performance of alternative organizational forms.

4. *Competing Objectives in Organizing.* Choices about organization involve attempts to find an acceptable balance among a large number of individually desirable but collectively somewhat incompatible objectives. This point is expressed so well by one of the companion project's findings that we quote at length: "The cases are also eloquent witness to the unavoidable conflict between perennial and necessarily coexistent objectives. Both historical analysis and future planning must recognize that the appropriate standard of judgment is not the degree of fulfillment of one or two national aims, but the degree of optimization among a substantial number, none of which can ever be completely ignored or sacrificed. . . . It is critical to sensible policy that national purpose be conceived as a plural construct, made up of matched pairs of opposing concerns in which content and balance change constantly with events, beliefs, and dominant personalities. Thus, we must expect constant tension between parochial objectives and those based on concern with the system as a whole, between those which promise short-term advantage and those which look to the longer-term, between those which maximize consistency and those which emphasize the capacity to capitalize on special circumstances, between those which put a premium on prompt and decisive action and those which seek to prolong the period in which major options are kept open, and between the need for tight security with respect to a change in policy and the desirability that the change be as widely understood and supported as possible. These tensions reflect the nature of man, not any imperfection in policy or policymaking; the objective is to recognize, address and balance them, not to eliminate them. The summary lesson of the cases may be that we have established few structures charged with the former and too many which reflect a belief in the necessity of the latter." [4]

5. *Arguments About Organization Frequently Mask More Fundamental Differences.* The discussion above suggests that this study parts company with students of organization who believe in "a single-best or efficient organizational form." Indeed, some Commissioners may feel that we have already thrown out not just the bath water, but their baby, too. To repeat, we believe that appropriate organizational structure is subsidiary to problems, purposes, policy, and even (to some extent) people. Since proponents of alternative organizational structures often differ about each of these basic issues, it is not surprising to find that arguments about reorganization frequently mask arguments among conflicting substantive objectives or competing demands for power. Any review of such debates quickly demonstrates that arguments about organization are frequently dominated by differences about more basic fac-

persons, therefore, could make among them upwards of 48,000 pins in a day. Each person, therefore, making a tenth part of 48,000 pins might be considered as making 4,800 pins in a day. But if they had all wrought separately and independently, and without any of them having been educated to this peculiar business, they certainly could not each of them have made 20, perhaps not one pin in a day; that is, certainly, not the 240th; perhaps not the 4,800th part of what they are at present capable of performing, in consequence of a proper division and combination of their different operations.

[4]Edward K. Hamilton, *Cases on a Decade of United States Foreign Economic Policy: 1965–74, Volume II,* pp. 343–44.

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tors. Most participants in the process feel more strongly about substantive objectives (e.g. reducing vs. maintaining U.S. troops in Europe) than they do about the general merits of structures or processes by which such a decision is made. Thus policy advocates seek to use structure and process to serve their own policy (and power) objectives. A President with one set of policy objectives trying to maximize his impact on decisions and actions will prefer a different structure than a Congressional leader seeking to advance his policy objectives or the impact of Congress, and both will differ from a diplomat mainly interested in the State Department's taking the lead.

6. *Important Effects of Organization of Decisions and Actions Are More Subtle Than Apparent.* Most of us have had the experience of going out to dinner with friends, finding ourselves at a Chinese restaurant that specializes in the cuisine of a particular province, say Szechwan, and making our choice from the menu of 50 or 100 dishes. If asked to explain *why* we had what we had for dinner, we might account for the dish we chose by our personal preference, e.g. for Twice Cooked Pork. We could account for the dishes we shared in terms of choices and preferences of the other dinner guests. But if someone were seriously interested in explaining why we had the meal we had, as against all the other meals we could conceivably have had, the overriding fact would be that we ate at a Szechwan restaurant. We may or may not have been involved in the choice of restaurant, but once that choice was made, the question of our having coq au vin, or steak and potatoes, or a hamburger simply did not arise. The effect of the restaurant and its menu on our choice and dinner is obvious. The effect of governmental structure in creating the menu from which political officials choose in ordering a weapon or a military operation or a diplomatic move is much less often appreciated. Similarly, the effect of organizational arrangements on what is identified and characterized as a "problem" that calls for U.S. action, on the information available about the problem faced, on the range of options presented, and finally on the actual doing of whatever is chosen are more subtle than apparent. Enmeshed in a web of organizational processes that shape their environment, "men of action" normally concentrate, as Tocqueville observed, on "the wires they pull." Commissions or organizations tend to follow this concentration. But serious study of organization for foreign affairs must also include an attempt to stand back from the daily battles and examine less apparent influences of organization on major features of the context, like the menu presented.

II. HOW WE DEFINED THE PROBLEM: ORGANIZING AS VESTING AND WEIGHTING PERSPECTIVES AND INTERESTS

Because of these essential difficulties, most discussions of organizing for foreign affairs alternate between high-level abstractions on the one hand, and very specific tactics on the other. The former propose organizational change based on various disembodied concepts—either formal objectives like "efficiency," "participation," "responsibility," "centralization or decentralization," "clean lines of authority," and "coherent organizational charts"; or popular symbols like "upgrading the State Department," "downgrading the military," "restoring the Cabinet," and "involving Congress." The latter focus on low-level tactics for achieving personal policy preferences, sometimes substantive, e.g. cutting the defense budget, and sometimes organizational, e.g. giving the Political-Military Bureau of State more influence over the defense budget.

Finding neither of these approaches suited to our needs, we spent several months walking around the problem and thinking about its inherent difficulties. Out of this emerged a middle-level conception of the problem of organizing for foreign affairs, one not yet fully developed, but nonetheless, one we judge more satisfactory than the alternatives. Here, *the central issue of organizing for foreign affairs is defined to be the vesting and weighting of perspective interests.* [5] The existence or non-existence of particular departments and offices, the distribution of powers, procedures for concurrence or consultation, staffing patterns—organizational arrangements like these advantage and disadvantage competing interests. The key question in organizing, therefore, is not organization *per se,* but *which* perspectives are introduced with *what* weights in the regular processes of decision and action.

What assures that in the process of reaching a given decision, or sequence of decisions involving multiple considerations, all important interests will be represented, that weights of various considerations will be appropriately balanced, and that each will be inserted in a timely fashion?

Nothing. Several examples from the cases may make our definition of the problem more concrete.

- In 1966, preliminary negotiations between the U.S. and the Federal Republic of Germany about troops and offsets (the number of U.S. troops in Germany and the proportion of the foreign exchange costs that would be offset by

[5]For help in formulating this definition, we are indebted to Richard E. Neustadt.

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German purchases in the U.S.) were handled almost exclusively by the Department of Defense and the Treasury (and by their respective Offices of Foreign Military Sales and Balance of Payments). Given these interests/considerations and their relative influence, the character of U.S. demands on the Germans (full offset by military purchases alone), the insensitivity to Chancellor Erhard's political problems, and the neglect of the broader American foreign policy objectives in relations with the FRG could have been predicted. The relevant question about the organization of the U.S. Government for making decisions about troops and offsets, therefore, is whether that structure and procedure introduce the right perspectives and interests, at the appropriate point with acceptable weight?

- In March, 1969, President Nixon chose to deploy ABM to defend American missiles, but the Safeguard system he selected was not capable of performing this mission. The menu from which he chose included no entree with a substantial capability for missile defense. The absence of that entree resulted largely from the fact that the structure of the weapons acquisition process permitted the Army to "own" the ABM mission and to develop a single package of hardware designed for its preferred mission of large-scale population defense. Again, the key question is whether the normal structure and procedures that generate the menu of weapons alternatives appropriately balance the interests and perspectives that should be brought to bear.
- In November, 1969, President Nixon announced that the U.S. was unilaterally renouncing its right to use biological weapons under any circumstance, destroying its stockpile of biological munitions, and foregoing first use of chemical weapons. That announcement reversed the previous American policy of reserving the right to use any chemical and any biological weapon whenever and wherever the U.S. chose. President Nixon's choice was not an easy one. U.S. policy on the production, storage, and use of chemical and biological weapons had to balance a large number of competing considerations: (1) the military utility of chemical and biological weapons, either in actual conflict or as a deterrent; (2) the military disutility of chemical and biological weapons used against American troops in various contingencies; (3) the impact of U.S. actions on the acquisition and use of chemical and biological weapons by third parties; (4) the influence of American policy about chemical and biological weapons on world opinion; and the like. Not surprisingly, the participants in the U.S. Government had differences of opinion about the relative weight of such competing considerations; and thus the preferred U.S. policy. To the question, "What should U.S. policy be on acquisition and use of chemical and biological weapons?" objective conditions of technology and economics dictated no single answer. Nor was it possible for any but the most committed advocates to insist that there was one right answer to the question, denying any merit whatever to competing considerations. Instead, the American Government answered this question, like most similar hard questions, by a process, a process that weighted and balanced various interests and considerations as it reached a decision. The process by which this issue was identified and characterized, alternatives specified and evaluated, and the choice presented to the President of the United States weighted and balanced a range of interests and considerations. Once more, the chief organizational question is whether the process for identifying and exploring arms control issues appropriately balances the competing interests, in particular the inevitable competition between security through unilateral military strength vs. security through cooperative international agreements.

There are no easy answers to the questions, "how organizational arrangements affected a particular decision" and "which perspectives should be introduced with what weights in the regular processes of decision?" Answers are especially tricky as long as "decisions and actions" are treated as a single lump. Thus it is useful to break "decisions and actions" down into a number of component elements including: (1) recognition and characterization of a situation as a problem calling for governmental action; (2) information about the problem; (3) alternative courses of actions for meeting the problem; (4) choice among alternatives; and (5) implementation, or the array of actions taken by agents of the government subsequent to a choice. The range of perspectives introduced and their relative weights differ substantially from one of these stages to the next. For example, the perspective of the President and his key colleagues dominate choices among alternatives in high policy decisions, whereas the perspectives of the operating agencies dominate implementation. Thus, to sharpen assessment of the impact of interests vested and weighted, and to refine judgments about the appropriate balance of perspectives, it is useful to focus on each of the component stages.

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III. AN OUTLINE OF THIS PROJECT'S APPROACH

Confronted by so many difficulties, the Commission proceeded cautiously, refusing to adopt any single research strategy, choosing instead a broad, mixed strategy that attacked the problems from many different angles. In particular, the Commission resisted the temptation to rely solely on the approach that has appealed to so many previous efforts to cope with similar difficulties: namely, what is caricatured as "the consultant's strategy." This consists of borrowing the client's watch and reporting to him what time the watch says it is. The views of the Commission's various clients (both Legislative and Executive) about inadequacies in present organization arrangements for foreign policy are most important ingredients in the mix of evidence collected by the Commission. Current (and recent) officials' recommendations about desired changes are instructive. But voices of experience can focus too narrowly, mirroring only one side of relevant experience, and reflecting largely personal preferences about policy or power. Indeed, reviewing a decade of testimony by recent officials, one is struck by the extent to which the most confident prescriptions are predictable from the proponent's conception of how he operated when he was last there or how he hopes to operate next time. Thus, in addition to taking testimony from current and recent officials, the Commission's research strategy has included a number of other tracks including a series of case studies of representative governmental decisions and actions in various policy areas.

This report summarizes the findings and recommendations of one subset of the Commission's case histories: the studies of decisions and actions in Defense and Arms Control. The aim of these cases was to explore the impact of organization on decisions and actions in specific instances; to discover inadequacies in current organization by particular example; and to identify possible changes in organizational arrangements that promise improved performance in those concrete instances. Given the difficulties identified above, this was no short order.

First, we faced the problem of case selection: what dozen cases could possibly cover the subject. The numbers of decisions and actions taken by the U.S. Government recently in the realm of Defense and Arms Control are legion (for example, there are more than 200 weapons in the current U.S. weapons process). Some categorization of decisions and actions was required. Working with the Commission's Research Director and a group of senior advisors,[6] we identified a number of major types of decisions and actions taken by the U.S. Government in the realm of Defense and Arms Control. These included making defense budgets, acquiring weapons, formulating strategic doctrine, managing alliances, establishing arms control negotiating positions, conducting military operations, and controlling exports on national security grounds. Obviously, these categories are neither exclusive nor exhaustive. But they do cover the central issues of Defense and Arms Control, a wide spectrum of decisions and actions taken *within* the broad guidelines of foreign policy, as means of supporting this foreign policy. Indeed, decisions about which strategic arms to acquire and which to agree with the Soviet Union not to acquire become the hand in the glove of the highest foreign policy decisions about the character of U.S. relations with the Soviet Union—though such high foreign policy decisions about détente or war or peace were beyond our mandate.

Having chosen the categories, we then faced the selection of particular cases. Commission guidelines state the principal criteria of choice to be representativeness, importance, and accessibility to description and analysis. But the Commission also expressed concern that the group of cases chosen provide a fair balance between apparent successes and failures, between actions taken at a very high level and those taken lower down, between crises and routine decisions, between the Nixon and prior administrations, between those in which Congress was substantially involved and those in which it was not, and between issues controlled by a single agency as against those involving several important agencies. In addition, given that research had to be done during a single summer, special efforts were made to identify cases that permitted Commission research to piggyback on research that had been initiated for other purposes. Table 1 lists the cases and the case analysts.[7]

Case analysts were asked to produce a fine-grained account of what the problem was, what decision or action was taken, and what happened; how organizational arrangements affected performance, identifying major inadequacies; and what alternative organizational arrangements might have performed more effectively. But we recognized from the outset that analyzing and assessing the impact of organizational arrangements on decisions and actions is not a job most researchers find familiar or straightforward. To guide case analysts and to facilitate the work of generalizing from the collection of

[6]The senior advisors included Francis M. Bator, William M. Capron, Morton H. Halperin, Lawrence Lynn, James March, Ernest R. May, Richard E. Neustadt, Don K. Price, Henry S. Rowen, and Thomas C. Schelling.

[7]Largely because of problems of access and perspective, the Commission chose to avoid current cases. Thus the cases do not include any in-depth examination of President Ford's White House or Secretary Kissinger's Department of State.

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TABLE 1.—DEFENSE AND ARMS CONTROL CASES

Category and Case	*Analyst*
I. *MAKING DEFENSE BUDGETS*	
The Defense Budget in Fiscal Planning and Management	J.P. Crecine, University of Michigan
The Defense Total and the Defense Non-Defense Trade-Off	Gregory W. Fischer, Duke University
The Shape of the Defense Budget	
II. *ACQUIRING WEAPONS*	
F-111	Robert F. Coulam, Harvard
U.S. Strategic Forces, 1960's	Graham T. Allison, Harvard
ABM	Frederic A. Morris, Harvard
Trident	John D. Steinbruner, Harvard Barry E. Carter, Wilmer, Cutler, and Pickering
MIRV (and Accuracy)	Graham T. Allison, Harvard Richard Huff, Harvard
XM-1	Arthur Alexander, RAND
Smart Bombs	Frederic A. Morris, Harvard
FDL	Anne Karalekas, Consultant
III. *FORMULATING STRATEGIC DOCTRINE*	
Nuclear Options: 1960's and 1970's	Henry Rowen, Stanford
(U.S. Strategic Forces, 1960's, above)	
IV. *MANAGING ALLIANCES*	
Troops and Offsets in Germany: 1966, 1967, 1969	Gregory F. Treverton, Harvard
Joint Weapons (and Cancellation): Skybolt	Richard E. Neustadt, Harvard J. Urwitz, Dallas, Texas
MLF	Gregory F. Treverton, Harvard Mark Iwry, Harvard
Bases: Okinawa, 1967, 1969	Pricilla Clapp, Brookings
Security Assistance: Undersecretary for	Henry Miller, Georgetown
Secrecy: Japan Shocks	I.M. Destler, Brookings
V. *ESTABLISHING ARMS CONTROL NEGOTIATING POSITIONS*	
CBW: Vietnam, 1967, 1969	Forrest Frank, Stanford Morton Halperin, Twentieth Century Fund
SALT: 1968, 1969–72	Burton Rosenthal, Harvard Barry E. Carter, Wilmer, Cutler, and Pickering
VI. *CONDUCTING MILITARY OPERATIONS*	
Fighting in South Vietnam	Robert L. Gallucci, Johns Hopkins Anne Karalekas, Consultant
Bombing North Vietnam	Robert L. Gallucci, Johns Hopkins Anne Karalekas, Consultant
NSSM 1	Edwin A. Deagle, Urban Institute
(Chemical warfare in Vietnam, above)	
VII. *CONTROLLING EXPORTS ON NATIONAL SECURITY GROUNDS*	
Recent Practice	Robert E. Klitgaard, RAND

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cases, we devised a common format. The format posed six tasks:

I. *Start with an OVERVIEW of the case.*

II. *Describe in detail the PROCESS by which the decision and action was taken.*

III. *ANALYZE the IMPACT of "organizational arrangements" on the decision and action.*

IV. *EVALUATE the PERFORMANCE of the government against the Commission's checklist.*

V. *Identify CHANGES in organizational arrangements that would improve performance.*

VI. *Identify general CONCLUSIONS suggested by the case.*

The most difficult task in each case was analyzing the impact of organizational arrangements on the decision and action. Since our approach to this issue importantly affected our findings, a word of explanation is in order. After analysts had described the chronological process by which the government recognized a problem, made a decision, and took action, they were asked to stand back and identify critical junctures in the chronological process where one choice was made (or action taken) instead of two or three readily imaginable alternatives. For example, in the case of troops and offsets, at various critical junctures the U.S. offered the Germans one package deal rather than several possible alternatives. For selected critical junctures or decision points, analysts were asked to try to answer the following questions:

1. Which *interests/considerations* were introduced at which points with what relative influence in the process of decision and action? How did the interests/considerations, their relative influence, and the points at which they were introduced affect the choice of one course of action rather than two or three imaginable alternatives?

2. How did existing organizations and their goals and routines affect the *information* available at critical junctures?

3. How did existing organizations and their goals and routines affect *alternative courses of action* considered at critical junctures?

4. How did existing organizations and their goals and routines affect *implementation* at critical junctures?

5. How did *Congress* and *external groups* and interests affect the choices and actions at critical junctures?

6. How did *"personnel,"* i.e. procedures in the various organizations for recruitment, socialization, reward, punishment, and exit of employees affect the choices and actions at critical junctures?

None of these questions is easy. There is room for debate about the answer to each. In no instance are organizational variables the only factors affecting a decision or action. By focusing primarily on this one cluster of factors, we run the risk of overestimating their influence. But the case analyses do begin to identify and document the impact of specific organizational arrangements on specific decisions and actions.

Identifying and assessing the impact of organization on decisions and actions is the first step. Performance of existing organizational arrangements in a specific instance can then be evaluated using the Commission's checklist of "Elements of Effectiveness." The case analyses serve as diagnostics for identifying inadequacies in current organizational arrangements. Some cases display successful performance of a function performed inadequately in another case. Thus, the collection of cases becomes a source of clues about alternative organizational arrangements. Finally, the case analyses can serve as a rudimentary "testing ground" for evaluating proposed organizational changes, providing a factual basis for debate about how a proposed change would have affected performance in specified instances.

The product of this project comes in three parts. First, the Background Volumes on Defense and Arms Control contain full drafts of each of the cases listed in Table 1. Second, summaries of the cases are presented in Summary Parts for each of the categories.

Part I: Making Defense Budgets
Part II: Acquiring Weapons
Part III: Formulating Strategic Doctrine
Part IV: Managing Alliances
Part VI: Conducting Military Operations
Part VII: Controlling Exports on National Security Grounds

Each Part presents summaries of all the cases in that category and then draws more general conclusions about inadequacies and ways of strengthening performance in that area. Third, this Report takes the findings of the seven Summary Volumes as a base for identifying some more general conclusions about Defense and Arms Control that emerge from the whole collection of cases, taken together.

A final introductory caveat is in order. The case approach has several important limits. First, recent history is "hot." Individuals who participate in important governmental decisions and actions do resemble the proverbial blind men feeling different appendages of the elephant and disagreeing about the significance of the appendage they handle. Particularly where reputations are involved, full agreement, even on the facts, is often impossible. The cases try to identify points of significant disagreement about the facts where they affect interpretation. Second, recent history in the area of Defense and Arms Control touches many highly classified matters. While Commission researchers have had

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access to classified documents, in some cases important evidence has not been available. Researchers have tried to offset this handicap by relying on extensive interviews, but the difficulty remains. Again, cases try to identify points where important information affecting interpretation was not accessible. Third, because of limits of time, the cases have been done quickly. Some of the cases build on ongoing work and present thorough, well-researched histories. Most of the cases, however, must stand as quick first-cuts, many of which researchers will pursue and publish later in a fuller version. Fourth, these cases cannot aspire to be an adequate sample of the universe of decisions and actions in Defense and Arms Control. Against a backdrop of previous cases and general studies, the cases can illustrate a number of important inadequacies and suggest possible ways of restructuring for better performance. But the question of whether the inadequacies are representative of general problems in alliance management or weapons acquisition cannot be answered by the cases themselves. The final chapters of each Summary Volume try to answer that question by relating findings suggested by the cases to other evidence. But in the end, the Commission must judge, on the basis of all evidence available to it, which problems are most important and representative. To the extent that the cases are judged representative, the inadequacies they illustrate and the recommendations they suggest can be taken as tentative conclusions. To the extent that they seem isolated instances or idiosyncratic, the inadequacies identified should be read as hypotheses. It should be clear that a body of cases selected according to the criteria above cannot pretend to identify *all* important problems and inadequacies in Defense and Arms Control, or necessarily the *most important* inadequacies in this area. What the cases do is point up *some* important inadequacies in this area, illustrate these inadequacies concretely, and illuminate some of the larger problems that current organizations deal with inadequately and that require change in structure or process.

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CHAPTER 2

General Findings: Tasks, Inadequacies, And Recommendations

Individual cases identify inadequacies in current structure and processes of government. In every instance, important inadequacies are illustrated by more than one case. Comparable cases, in which performance was more satisfactory, provide a suggestive source of possible changes in organizational arrangements likely to improve performance. At one point we considered presenting a laundry list of inadequacies and recommendations. At another, we nearly decided to pick our five favorite recommendations and build an argument around them. But after further thought and discussion, it was decided that an important part of our findings concerned more general tasks in foreign policy-making than are performed by any governmental structure. Unfortunately, the literature of organizational studies contains no well-defined list of such tasks or functions that we judged acceptable; nor have we been successful in developing suitable categories. Instead, the problem somewhat resembles a block of granite which cut from one angle displays one face and cut from another angle reveals different, but related grains. Thus the three sections that follow present three faces of a single granite block.

This chapter presents findings about the three most general tasks that emerge from our collection of cases, taken together. For each, we identify important *inadequacies* in current organization for Defense and Arms Control and state a number of *tentative recommendations.*[1] The three general tasks are:

- *Structuring the "Permanent Government."* In the aftermath of World War II, in response to problems of the Cold War, the U.S. established a Permanent Government. In contrast to the fewer than 400,000 employees of the government (military included) who concerned themselves with foreign affairs before 1940, the new establishment never numbered fewer than one million. Today, the national security establishment consists of more than four million people, 99% of whom are members of the Permanent Government, an executive establishment that does not change with Presidents and administrations. This Permanent Government is organized by department and agency, each responsible for a particular piece of the larger problem of "foreign affairs," each of which takes a deliberately parochial view of the larger problem. This "structure" includes not only the existence of particular departments and agencies but also the distribution of powers among them and the configuration of their parts in the routine procedures for identifying problems, gathering information, defining alternatives, making decisions, and taking actions. As such, the Permanent Government constitutes the largest part of our society's answer to the question of *which* interests and perspectives are in fact introduced with *what* weights in the regular processes of decision and action. The central issue about the current structure of the Permanent Government is whether the present balance of perspectives and interests, which were vested and weighted primarily in the 1940's to meet problems of the Cold War, are appropriate for achieving American purposes in the world of the late 1970's and 1980's.
- *Managing the Departments and Agencies.* Given the basic structure and processes of the "Permanent Government," the President and the

[1] "Tentative" is not meant as an academic hedge. Rather, it reflects our understanding of the division of responsibility between this research project and the Commission. The Commission is charged with making recommendations, based on all the evidence available to it. This project represents but one piece of that evidence. Thus, our suggestions about recommendations should be read as "recommendations that the Commission consider recommending" a particular organizational change. In many instances, we identify for the Commission's consideration multiple (and not completely compatible) recommendations with pros and cons. In addition, it should be noted that our recommendations do not reflect any careful analysis of their acceptability by Commission clients or of difficulties in their implementation.

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members of his administration are responsible for managing the departments and agencies to produce effective performance. Created to pay special attention to particular aspects of a problem, departments develop their own conceptions of how they should fulfill their missions. But performance of mission according to departmental goals and routines does not assure an appropriate contribution to larger national objectives. The central issues in the Defense and Arms Control area are two: (1) whether the balance of influence between departments and their political managers is appropriate for the problems faced in the late 1970's and 1980's and (2) whether the skills of those charged with the instruments they control are sufficient for the job.

- *Central Decision and Coordination.* Often ill-defined, indeed sometimes hardly recognized, central decision and coordination is *the* problem that has dominated discussion of organization for foreign affairs for the past decade and a half. In general, issues in foreign relations do not separate neatly into "security," "foreign policy," and "economic" pieces. Virtually no issue of importance falls exclusively within the domain and control of a single department. Inevitably, lots of day-to-day business is conducted on a decentralized basis by the departments, subject to routine clearance. But sometimes trade-offs must be made among goals, or priorities established among them. The central issues in the realm of Defense and Arms Control are three: (1) whether the principal formal mechanism for central coordination, the National Security Council, encompasses a sufficient breadth of perspectives for the problems of the present and future; (2) whether the sharp line between "foreign policy" issues and "domestic" issues reflected in both formal and informal coordinating mechanisms remains appropriate for current problems; and (3) whether the search for a single, dominant mechanism to perform the task of central decision and coordination should continue.

Because of their importance, each of these is discussed at some length: identifying the task, illustrating from the cases how it is performed by current organizational arrangements, specifying inadequacies, and noting organizational changes that offer prospects of improved performance.

It would be possible to discuss all the inadequacies identified by the cases under these three general headings. But some of the inadequacies point to more specific functions that deserve separate consideration. Chapter 3 therefore discusses five sub-tasks: managing implementation; articulating foreign policy goals and guidelines; attending to the longer run; assessing foreign governments; and making *ad hoc* adjustments for personalities and operating styles.

I. THE TASK: STRUCTURING THE "PERMANENT GOVERNMENT"

A. The Shape Of The Problem

The New Deal, World War II, the Bomb, and the Cold War changed fundamentally the government of the United States: creating an Executive establishment, a body of officials that in size, scale, and corporate survival constituted a new creation, unlike anything our government had known before. Before the war, U.S. Government employees concerned with foreign affairs numbered fewer than 400,000, military included. (A mere twenty years before that the Departments of State, War, and Navy were all suitably housed adjacent to the White House in what is now the old Executive Office Building.) In 1939, U.S. military forces had an active officer corps of 25,000. Since 1945, the number has never been less than ten times that size (save for a moment before Korea when it fell to a mere 200,000), and the national security establishment has never dipped below one million. Today, we maintain more than 300,000 active military officers and a national security establishment of over four million people. Ninety-nine percent of these four million individuals are members of the "Permanent Government," an executive establishment that remains through changes in Presidents and administrations.

To deal with the multiple facets of international affairs, these people are organized by functional department and agency, among which primary responsibility for particular tasks is divided. The Department of State assumes primary responsibility for diplomacy, the Department of Defense for military security, the Treasury for foreign economics, and the CIA for intelligence. Each department's mandate points to a partial, and deliberately parochial definition of "the problem" of foreign policy. Indeed, each was created and enlarged for the purpose of assuring special attention to a particular facet of the larger problem. Every pressure in the environment exaggerates this parochialism: (1) Congressional structure makes departments dependent for authorizations and appropriations on specialized committees and sub-committees; (2) statutory powers give most departments primary capacity for operating in their special sphere, as

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well as monitoring problems in that area, thus adding operational incentives to natural inclinations; (3) personnel systems are departmental—numbering at least ten separate career systems (military included) in the national security area—thus socializing members to a particular set of concerns and rewarding members for devotion and service to their own organization's mission; (4) expertise and competence is developed departmentally in dealing with special issues, e.g. military matters, foreign economics, or diplomacy; and (5) the prevailing rules of the game call for each department to attend to its problems and advocate solutions from its perspective, relying on other organizations to represent other aspects of an issue.

All these factors conspire to produce a Permanent Government that can be characterized—provocatively—as one of "vested interests." Particular perspectives are vested by the creation of departments or agencies that take a predictably parochial view of "the problem." Indeed, as former Assistant Director of the Bureau of the Budget, Harold Seidman, has testified: "Knowledgeable Budget Bureau officials estimate that agency positions on any major policy issue can be forecast with near 100% accuracy, regardless of the administration in power." But these departments and agencies constitute the greatest part of the U.S. Government's capability to identify and define problems, to specify and assess alternative courses of action, and to choose and act to advance American purposes in the world. To return to the metaphor used above, this Permanent Government is the restaurant (perhaps a cafeteria, albeit one with a limited offering and a few specialties) that sets the menu, buys the ingredients, cooks the food, and serves the meals available to the Presidents and administrations.

It is important to examine in detail the vesting and weighting of interests and considerations in each particular realm of decision and action. For example, Secretary of Defense McNamara made his fateful choice of the F-111 as the bi-service, limited-war fighter for the 1960's from a menu of specific operational requirements defined by the Air Force (and indeed by the Tactical Air Command) alone, and which reflected TAC's interests rather than those of the Secretary of Defense or the President. As a result, the fighter that emerged did not have capabilities suited for the Kennedy Administration's limited war strategy, but instead was designed for a nuclear mission McNamara meant to de-emphasize. Specific problems of this sort are discussed in each Summary Part, and some of the recommendations from these Parts are presented below under Specific Findings (Chapter 4). But a review of the spectrum of cases in Defense and Arms Control may support some broader judgments as well. Several vignettes from the cases will serve to illustrate important characteristics of our current Permanent Government: of the interests vested and perspectives weighted in its routine processes for identifying problems, defining alternatives, making decisions, and taking actions.

- *Troops and Offsets.* Through the decade of the 1960's, the major, recurring issue in relations between the U.S. and the Federal Republic of Germany was troops and offsets: how many troops the U.S. would station in Germany and how to share the foreign exchange costs with Germany. American troops in Germany served a large number of purposes: they stood as the earnest of America's commitment to fight for Europe, thus deterring the Soviet Union from any inclination it might have to attack or pressure Germany or Europe, and assuring Germans and Europeans about this fact; they provided the real backbone of NATO's capability to defend Europe, if war should occur; they encouraged the confidence and stability of Germany as a democratic state (and the confidence of German neighbors about any revival of German militarism); they gave the U.S. influence over possible developments in Europe and bargaining leverage with all the parties involved. But U.S. troops in Germany also cost money (especially foreign exchange dollars). Thus the question of how many troops the U.S. should maintain in Germany and how much of the foreign exchange costs the German government would cover became a major item of discussion between Presidents and Chancellors in their meetings through the 1960's (most dramatically of all, in 1966). As a question first of military troops and second of balance of payments, this issue directly engaged Defense and Treasury, and particularly, a Secretary of Defense determined to reduce the balance-of-payments deficit attributable to his Department and a Secretary of the Treasury given to expressing his Department's normal alarm over balance-of-payment deficits. There did exist a Department with a brief for broader American foreign policy interests, and specific American interests in bilateral relations: the Department of State. But the weight of these interests in the process were light, in part because of Secretary Rusk's reluctance to do battle with Secretary McNamara on issues that McNamara cared about, and in part because of the general weakness of the State Department (discussed below). Had the problem not been seized by the White House at the last minute, Chancellor Erhard would have fallen with a bang instead of a whimper, and the U.S.

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would have seemed the evident culprit. Last-minute White House intervention muted Erhard's fall, but did not eliminate American implication in his collapse. Throughout the 1966 discussions and negotiations, *the definition of the problem as an issue of balance of payments to be covered by military sales, the insistence on maintaining a sub-account for military balance of payments and forcing the Germans to cover deficits in that account by military purchases alone* (rather than medium term bonds and other mechanisms), *and the heavy handedness of American negotiators reflected interests vested and considerations weighted* both by the general governmental structure and by the particular process of decision.

- *Okinawa.* After the defeat of Japan in 1945, U.S. occupation forces held a large number of bases both on the main islands of Japan and on smaller surrounding islands like the Ryukyus (which include Okinawa). By the time of the peace settlement in 1951, the Korean War had fully convinced American military leaders of the necessity for a network of major bases in the Far East to support the American policy of containment. The peace package of 1951 recognized Japanese sovereignty over U.S. bases on the main islands, but took exclusive control of Okinawa as a U.S. military base, only grudgingly acknowledging "residual" sovereignty over the island. Okinawa was run as a military fiefdom, and U.S. bases there could be used for any military operation authorized by the President, without reference to the local population or the government of Japan. The American Military High Commissioner of Okinawa ran Okinawa as he chose, and his choices mostly served to provoke the local population. But by the late 1950's, a reversion movement was afoot in Japan. In 1961, American Ambassador to Japan Edwin Reischauer warned the U.S. Government that sole American control of Okinawa had become an anomaly that would soon cause trouble. Reischauer proposed seizing an opportunity before a crisis emerged, returning control of the island to Japan in exchange for a guarantee of American use of military bases. The Joint Chiefs of Staff strongly opposed all such suggestions on the grounds that Okinawa was "vital to U.S. security." The High Commissioner of Okinawa, Major General Caraway, thwarted President Kennedy's decision to allow Japanese economic aid to Okinawa and rendered the new civilian administrator ineffective. By 1965, Okinawa was emerging as *the* central issue in Japanese-American relations, and Japanese Prime Minister Sato staked his career on achieving reversion of Okinawa. In 1969, faced with a 1970 deadline on renewal of the Mutual Security Treaty, the U.S. Government finally agreed to reversion of Okinawa to Japan. But *the failure to move earlier to capitalize on an opportunity, and, indeed, the fact that such an issue should have been the focus of relations between the U.S. and one of its major allies in the late 1960's, illustrates the interests vested in the world-wide American base system and the perspectives normally weighted heavily in decisions about such bases.*
- *Export Controls.* In June, 1974, the Senate engaged in a small sparring match over a seemingly unimportant amendment to the Defense Procurement Authorization. Senator Jackson proposed the amendment authorizing the Secretary of Defense to veto the export of any good or technology that he determined would significantly increase Soviet military capacity. Unable to block the amendment, the opposition succeeded in amending the amendment, assigning the final decision on exports to the President (where it had previously been assigned) on the basis of a recommendation from the Secretary of Defense. While many outsiders regarded this as unnecessary quibbling, the Senators involved understood how this organizational arrangement would affect likely decisions and actions. If the Jackson Amendment had passed without modification, one could confidently predict that in the regular day-to-day decisions about exports to the Soviet Union, the Secretary of Defense (on the basis of recommendations from his subordinates and the JCS) would stop the export of goods that would otherwise be exported.

Currently, decisions about export controls are made by the Operating Committee for the Commodity Control List (and Working Group 1 for COCOM) according to a narrow criterion of a good's contribution to a potential enemy's military capability, the criterion being interpreted in a rather elaborate case-law manner. The White House occasionally overrides the Committee's decision, either to veto or to allow export of some particular item. These exceptions can presumably contribute to what Secretary of State Kissinger has described as the establishment of interests within the Soviet Union in détente. But in the daily process of decisions about export controls, no office or individual represents American interests in vesting Soviet interests in détente. Nor is there in the current structure any representative with important stakes in the medium-term future who might take seriously the possibility that the shrinking list of items barred from

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export is a waning asset, likely to break down altogether in the next five years, but a chip that has some value if played now. As a consequence, regular decisions and actions pay minimum attention to these considerations.

- *Unrepresented Considerations.* Given the current structure of the U.S. Government, it is difficult to conceive of a military threat from the Soviet Union likely to go unrecognized by U.S. military planners. Our military establishment, large and diverse, prepares for most conceivable threats by the Soviet Union, either to the U.S. or to our allies. The amount of insurance we buy against military contingencies worldwide is reflected in a Defense budget now pressing $100 billion. But what about threats to the security and survival of this country and its citizens (and its allies) from other sources? Oil is the most dramatic recent example. At current prices, given projections about oil consumption, OPEC producers will have extorted from the U.S. and its major industrial allies by 1985, a sum greater than the current annual GNP of the U.S. This transfer of wealth and its financing threatens the stability, and even the survival as democracies, of allies whose security from military attack we continue to guarantee by spending large amounts. The U.S. Government's failure to insure against oil blackmail—or to respond even after the first round—reflected not only lack of imagination among individuals, but also, and importantly, the absence in U.S. Government structure of any organization charged with preparing for such contingencies. (As antidote to the objection, "But who could have thought of the oil problem?" one should note the Navy's vast oil reserves.) Other examples abound: inattention to threats from global dangers like ocean pollution, or reactor proliferation, or peaceful nuclear explosives becoming bombs, or even nuclear power reactor accidents. Again, contrast the stockpiling of metals and other resources judged useful in the event of war with the failure to stockpile as a hedge against countries with large capital reserves cornering special commodity markets and jacking up prices. Currently the U.S. continues to sell off its strategic stockpiles on the grounds that they are no longer essential in case of war—with zero regard for their economic rationale. The *actions government agents are prepared to take, the contingencies the government prepares for, indeed, even the problems that are recognized and defined in the daily business of government reflect to a substantial degree the perspectives and interests that government structure vests and weights.*

These vignettes, set against a background of the spectrum of cases on Defense and Arms Control, suggest a number of salient features of the current structure of the Permanent Government.

1. In the aftermath of World War II, in response to problems of the Cold War, *security defined in military terms became the overriding purpose abroad—both in concept and in organizational form. Today, the concept has somewhat changed, but the organizational form mostly remains.* In the Cold War wake of World War II, the U.S. Government enormously expanded its interests in "the vast external realm." In contrast with earlier eras of American history, American foreign policy in the period after World War II became substantially "militarized." Indeed, the predominant feature of international affairs in the twenty-five years following World War II was the global expansion of American military influence. At the height of this expansion (circa 1968), the U.S. had Defense treaties with 42 nations, 3.5 million men under arms in "peacetime"; 1.1 million military stationed abroad (twice the total of all other nations in the world combined); 2,200 military bases in 33 countries; a twenty-five year Defense bill of more than $1 trillion; and a twenty-five year foreign aid bill of over $150 billion. This expansion reflected little instinct for direct control or domination. Rather, U.S. military power extended to counter perceived Communist threats to the independence and security of the Free World. But, because the principal instrument of American involvement in the world was military force, the men who wielded that instrument, the military and defense professionals, came to play a primary role, both abroad (in taking actions that affected foreign governments and people) and in Washington (in formulating and planning policy toward foreign governments). Indeed, the National Security Act of 1947 gave organizational form to the fact that U.S. involvement in foreign affairs would no longer be primarily a matter of representation and negotiation in bilateral relations, but instead would involve many departments, in particular the Department of Defense and the military departments, as partners in providing for U.S. national security.[2] Thereafter, the principal

[2]It is instructive to recall the "Declaration of Policy" that introduces the National Security Act of 1947. "In enacting this legislation, it is the intent of Congress to provide a comprehensive program for the future security of the United States; to provide for the establishment of integrated policies and procedures for the departments, agencies, and functions of the Government relating to the national security; to provide three military departments for the operation and administration of the Army, the Navy (including naval aviation and the United States Marine Corps), and the Air Force, with their assigned combat and service components; to provide for their authoritative coordination and unified direction under civilian control but not to merge them; to provide for the effective strategic direction of the armed forces and for their integration into an efficient team of land, naval, and air forces."

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declarations of American *foreign* policy objectives and directives became Basic *National Security* Policy, *National Security* Action Memoranda, and *National Security* Decision Memoranda.

2. "Militarization" of American foreign policy resulted not from independent action by military leaders, or from organizational structure, but primarily from the conceptions and judgments of Presidents and civilians about the importance of the military threat. This was powerfully reinforced both by the ease of mobilizing support in Congress and the country for foreign policy objectives justified in military terms, and by the ease of White House entry into tough bureaucratic issues and diplomacy or security when symbols of "national security" were involved. But conception, given organizational expression, reiterates and expands the initial concept.

3. The impact of military means on foreign governments and people stems not only from their role in deterrence and defense. American troops and bases encourage the stability of key allies like Germany and Japan. American troops are a major source of influence for the U.S. in dealing both with allies and with potential enemies. American bases and troops become major issues in relations with host countries and neighbors. American military assistance and sales, and military assistance groups, remain the largest part of our relations with many smaller allies.

4. The size, strength, and character of the military services, the Department of Defense, and the network of bases and troops and advisors abroad substantially affect (a) the recognition of "problems" as "threats" requiring action; (b) the flow of information about problems recognized (and those unrecognized); (c) the alternative actions available and their relative attractiveness; (d) the pressures in decision-making; and (e) the character of actions taken. As noted earlier, the expansion of the military establishment followed expansion of American foreign policy objectives, not vice versa. But once established, this structure also affects American foreign policy objectives. Impact abroad and in Washington is not simply a function of people and money. But these indicators are suggestive. In budget, the relationship between Defense and State is 150 to 1. In number of employees, the relationship is 100 to 1. In number of civilian employees, 30 to 1. In number of employees abroad, 100 to 1.

The cases document the heavy weight of "security" considerations defined in military terms, in comparison with broader "security," "foreign policy," "economic" and "domestic" concerns in every area surveyed by our Defense and Arms Control cases.

- *Defense Budgets* are made within the Pentagon and reviewed by DOD, the Office of Management and Budget playing more a liaison role than the part of an independent, external examiner. As a consequence, decisions about the split between defense and domestic dollars are not made on the basis of any analysis of marginal needs or returns; the Defense budget is subject to looser discipline than other departments in the national budget planning process; and Defense requests for appropriations avoid the external review that OMB gives requests from other departments.
- *Weapons* are acquired by the Defense Department through a process that gives predominant weight to the military services (and service subunits) in making critical choices. As a consequence, many weapons are poorly matched to national strategic objectives (e.g. F-111, ABM, FDL); weapons needed for national purposes that fit no service's objectives develop slowly or not at all (e.g. smart bombs, hardsite ABM); and weapons tend to be overly sophisticated and unnecessarily expensive thus threatening to price us out of the warfighting business (e.g. Trident and the MBT-70). Particularly in an era where American weapons function as much as means for projecting American presence and power to influence potential enemies and allies as for actual military operations, the need to balance service conceptions of weapons needs with broader foreign policy objectives grows more important.
- *Doctrines* about the use of American strategic nuclear forces are propounded by Secretaries of Defense; plans for the actual use of strategic forces are made by the services and the Joint Strategic Target Planning Staff. But President Nixon's famous rhetorical question—should the President in the event of a nuclear attack be left with a single option of ordering massive destruction of enemy population—emphasized broader interests in U.S. doctrines and plans.
- *Alliance Management* is mainline foreign policy, but troops, bases, joint weapons, coordinated contingency plans, arms sales, security assistance, and the like remain major issues in relations between the U.S. and its allies. The services and DOD are the chief actors both in major decisions and in day-to-day actions on these issues. The consequences for the character of U.S. action toward Germany over troops and offsets and for American behavior toward Japan with respect to Okinawa are illustrated vividly in the snippets from the case histories.
- *Arms Control* seeks to enhance U.S. security and

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to advance American foreign policy objectives by agreeing with other nations not to acquire certain weapons. But the range of possible agreements is importantly constrained both by the weapons the U.S. acquires unilaterally and by the reservations of established military leaders about arms control agreements. The cases of SALT and CBW illustrate the possibility of balancing military considerations somewhat by inserting ACDA as an arms control advocate within the regular process and including arms control proponents within the Pentagon. These cases also underline the need for further steps to achieve greater balance.

- The President and his civilian advisors decided to try to prevent the South Vietnamese Government from falling by sending U.S. troops to fight. But the actual conduct of military operations in Vietnam reflected service plans, doctrines, and procedures; and the decisions of military commanders. As a consequence, from 1965 to 1969 the U.S. followed a strategy of attrition through large-unit search and destroy operations by American forces, minimizing attention to building up South Vietnamese forces' ability to fight for themselves, and paying very limited attention to pacification. The implications of these choices for the loss of American lives and the American public's willingness to support the war effort were enormous. Moreover, the structure for assessment and advice about the conduct of the war meant that the President continuously faced a unified JCS position, which was rarely based on anything more than the Chiefs' support of the commander in the field.
- *Controls of exports* on security grounds continue to emphasize a single criterion of a particular good's potential contribution to an enemy's military capability without regular attention to economic benefits, or to possible effects in building interests in détente, or to the prospects that the export control system will collapse as a result of independent actions by other governments.

5. The impact of military and defense perspectives on American foreign policy results from a confluence of factors, including importantly, but not limited to, the structure of the Permanent Government. The most important structural factors that contribute to the impact of "security" considerations are the size and strength of DOD (number of people, numbers of dollars, presence of bases, commands, and forces abroad, quality and morale of service professionals, ability to recruit quality in-and-outers, and capabilities of military and civilian professionals for analysis and staff work in Washington); the weakness of competitors, especially the Department of State (numbers of people, dollars, quality and morale, ability to recruit outsiders, capabilities for analysis and staff work, etc.); and established, regular processes for identifying problems, providing information and advice, devising alternatives, making routine decisions, and taking actions. But these structural features reflect broader forces, especially the structure of Congress and more basic distributions of power in American policies and American society, which are changing rapidly.

6. This characterization of the Permanent Government applies to the departmental subunits as well. "Subgovernments" of departments, like the Operating Committee of the Commodity Control List, have very important effects.

7. Finally, the Permanent Government in national security affairs as elsewhere has every incentive to expand and few incentives to contract. Most units seek more resources and more employees. For innovations, Presidents and Secretaries find it easier to create bypass mechanisms than to change the behavior of current institutions, and so they leave their successors additional residue. Consequently, the Permanent Government has reached elephantine proportions.

B. Inadequacies

This characterization of the current structure of the Permanent Government has already anticipated two major, related inadequacies.

1. *The vesting and weighting of interests and perspectives embodied in the current structure of the Permanent Government overemphasizes security defined in narrow military terms as against broader security considerations and broader "economic," "foreign policy," and "domestic" concerns.* The current structure of the national security establishment mostly evolved in the late 1940's in response to problems of the Cold War. *Prima facie,* it seems unlikely that a structure well designed for Cold War problems would be appropriate for substantially different problems and purposes. In fact, given most people's views about today's problems and the problems of the next decade, *the structure of the 1940's is no longer appropriate.* Even for security against physical threats to American life or property, armies no longer fully suffice. Terrorism, and the prospect of the proliferation of nuclear weapons and other agents of mass destruction like chemical and biological warfare capabilities, may make most Americans more fearful of terrorist attacks than of Soviet strategic forces. But American decisions that affect the prospects of nuclear prolifera-

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tion are made primarily in the context of choices about nuclear reactors, their contribution to U.S. and world energy requirements, and the like. Discovery of the Arab "oil weapon" and the rediscovery of "economic warfare"—a term much better understood in the 1930's than in the 1960's—revealed threats to the survival of U.S. allies like Italy and Britain from non-military sources. Arrangements for financing the transfer of wealth to OPEC producers call for cooperation among industrial countries on a scale last seen in the 1940's. Concerted action to force a reduction of oil prices, without military means, would require a leap of imagination and cooperation equal to the Marshall Plan. Persistent double-digit inflation—generated by oil prices hikes, world-wide commodity demand, and national economic mismanagement—threatens the stability and survival of democratic regimes in a number of our allies, countries whose safety from military attack we judge important enough to justify large military expenditures. As recent events have made blindingly clear, *old distinctions between "national security" objectives, defined primarily in military terms, and "domestic" objectives have dissolved. Indeed, the handy distinction between "foreign policy" issues (even where foreign policy is defined broadly) and "domestic" issues has mostly broken down.* The extent of American *interdependence* with the major industrial nations of the world, and indeed with all the nations of the world, brought home dramatically by recent events but reflected even more sharply in longer-run trends, brings into question a structure of government that emerged to meet security threats defined in narrow military terms in a world of the 1940's where the U.S. stood alone as *the* military and economic superpower.

2. A related inadequacy concerns the size of the Permanent Government and its inherent tendency to expand. Cost is not the principal issue (though with one government employee for every five working citizens, cost is not irrelevant). Size is the problem *per se.* As Richard Holbrooke has argued,

> Size—sheer, unmanageable size—is the root problem in Washington and overseas today. . . . There are two distinct but related ways that the apparatus is too big—in numbers of people and the multiplicity of chains of command. Of the two, the latter is by far the more serious.

As the Jackson Subcommittee on National Security stated the issue:

> Unnecessary people make for unnecessary layering, unnecessary clearances and concurrences, and unnecessary intrusions on the time of officials working on problems of real importance. Many offices have reached and passed the point where the quantity of staff reduces the quality of the product.

The cases illustrate a spectrum of problems of size: complexity, layering, clearances, formality, dilution of authority, multiplication of chains of command, misinformation and difficulty of communication, especially of subtleties, demand for participation, temptation to intra-departmental and inter-governmental secrecy and circumvention, civil service guarantee of job security through bureaucratization of activity, exaggeration of credentials in selection, predominance of organizational maintenance over product or performance, dominance of organizational health as *the* goal for careerists, consumption of Presidentially appointed "general managers" (Secretaries and Assistant Secretaries) in routine administration rather than substance or initiative, expansion by accretion that perpetuates rather than eliminates vestigial appendages, and inertia. But none of the cases undertook a careful analysis of the problems of size. This is an excellent topic for further Commission research.

It is difficult to define criteria for determining how many employees are enough for most governmental tasks. But if one imagines starting over in some policy area or function he is familiar with, he can then ask what would be an appropriate and efficient number of people. In some areas more people are needed, but in most areas fewer would be better. Secretary of State Kissinger's "one-man band" has a number of severe drawbacks, discussed below. But his ability to handle the major foreign policy issues with the aid of fewer than 100 (some would say ten) trusted assistants is suggestive. Most Ambassadors seem to feel that they could run a more efficient embassy with half the number of employees. Many Foreign Service Officers subscribe to the view that the Foreign Service should be cut in half—if all other Washington and embassy personnel were also halved. Most bureaucrats can identify at least a dozen important examples where their agency and others engage in pointless duplication, for example, each agency and service maintains a separate staff making background checks before issuing a security clearance to an individual. We need much more careful examination of the problem and more imaginative devices for reducing the Permanent Government.

In the meantime, the story of the Quartermaster-General may serve as a useful reminder.

> In 1896 I was Deputy Quartermaster-General at Simla; then, perhaps still, one of the hardest worked billets in Asia. After a long office day I used to get back home to dinner pursued by a pile of files three to four feet high. The Quartermaster-General, my boss, was a clever, delightful work-glutton. So we sweated and ran together for a while a neck and neck race with our piles of files, but I was the younger and he was the first to be ordered off by the doctors to Europe. Then I, at the age of forty-three, stepped into the shoes and became officiating Quartermaster-General in

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India. Unluckily, the Government at that moment was in a very stingy mood. They refused to provide pay to fill the post I was vacating and Sir George White, the Commander-in-Chief, asked me to duplicate myself and do the double work. My heart sank, but there was nothing for it but to have a try. The day came; the Quartermaster-General went home and with him went the whole of his share of the work. As for my own share, the hard twelve hours' task melted by some magic into the Socialist's dream of a six hours' day. How was that? Because, when a question came up from one of the Departments I had formerly been forced to compose a long minute upon it, explaining the case, putting my own views, and endeavoring to persuade the Quartermaster-General to accept them. He was a highly conscientious man and if he differed from me he liked to put on record his reasons—several pages of reasons. Or, if he agreed with me, still he liked to agree in his own words and to "put them on record." Now, when I became Quartermaster-General and Deputy Quartermaster-General rolled into one I studied the case as formerly, but there my work ended: I had not to persuade my own subordinates: I had no superior except the Commander-in-Chief, who was delighted to be left alone: I just gave an order—quite a simple matter unless a man's afraid: "Yes," I said, or "No!" [3]

C. Recommendations

1. If we could find a formulation of the recommendation that did not sound frivolous, we would recommend that the Commission consider seriously a modern version of Thomas Jefferson's prescription of a little revolution every generation. This modern equivalent would call for a one-time revolution disestablishing the Permanent Government: abolishing all departments and agencies, and honorably discharging all members of the Permanent Government (who would be disqualified from serving in the next decade). Congress and the President would then proceed to fashion a new Executive branch, composed of new people, aimed at current and future problems.

Obviously, no such revolution is feasible. (If it were, we would be forced to think harder about its desirability.) But as a mental experiment, the Jeffersonian proposal has considerable merit. The nation's bicentennial would be a fitting occasion for some appropriate unit of Congress (or perhaps a high-level bipartisan Commission) to try to perform the mental experiment of starting over from scratch. Taking the Constitution as a point of departure, this group would produce a new design for the Executive and for the internal structure of Congress as well, unconstrained by current organizational structure, statute, buildings, or career services.

The infeasibility of actually disestablishing the Permanent Government makes it difficult to take seriously the proposed exercise in imagination. But we sorely need devices—even partial devices—freeing us from the fallacious notion that because something is, and is difficult to change, it is therefore acceptable.

2. The Commission should consider recommending substantial changes in the current structure of the Permanent Government, including its procedures for decision and action in every area of Defense and Arms Control. A menu of specific changes is presented in each Summary Part. Most changes would affect not only the structure of the Permanent Government, but procedures for managing departments, and mechanisms for coordination as well. This chapter concludes with a list of the kinds of changes in structure and procedures judged worthy of further exploration by the Commission (see page 80 below).

3. To cope with the problem of the Permanent Government's size and growth, the Commission should consider recommending various mechanisms that create countervailing pressures. Tighter budgets plus rising manpower costs create some barriers to expansion, but they are not enough. Various devices should be explored, including the following:

- Assorted strategies for *selective* reductions, e.g. the State Department's experience in reducing Embassy personnel in the BALPA exercise and Secretary Schlesinger's current efforts to cut commands and headquarters; bonus schemes for early retirement.
- Strategies for *arbitrary* reductions, for example, Congressionally mandated fifty percent cuts in FSO's, DOD civilians, other foreign affairs personnel; hiring freezes; elimination of particular offices or functions. The principal drawback to arbitrary cuts is that they leave the government with the more expensive, less mobile, older blood. Perhaps Congress should consider establishing an equivalent of the draft lottery for selecting individuals to be cut.
- Programs of training and education that increase career officials' marketable skills and make them more conscious of their alternative employment opportunities.

Neither the diagnosis nor the proposed treatments raise any question about the quality, honor, or public-spiritedness of Permanent Government personnel. The problem is less "dead wood" than "fat."

[3] Sir Ian Hamilton, *The Soul and Body of an Army* (London: 1921), pp. 235–236, quoted in H. Simon, *Administrative Behavior* (New York: 1947), p. 237.

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All reduction devices must include generous arrangements for transition to other jobs and the timing of such cuts must be sensitive to the state of the private economy.

II. THE TASK: MANAGING THE DEPARTMENTS AND AGENCIES

A. The Shape of the Problem

Whatever the existing structure and processes, Presidents and their appointees are charged with managing the departments and agencies to achieve national objectives. If Secretaries and their associates fail to manage the departments effectively, departmental action will serve objectives narrower than national needs. Moreover, the perspectives of poorly managed departments will not be adequately represented in the mix from which policies and decisions emerge. The cases define this problem sharply.

- *The "Bomber General" and the "Carrier Admiral."* Can one expect that the military services (and service subunits) left mostly to their own devices will buy the weapons the nation needs? Alain Enthoven (the principal architect and first Director of the Systems Analysis staff in the Office of the Secretary of Defense, under McNamara) has answered this question with a parable of the Bomber General and the Carrier Admiral and their judgments about the U.S. strategic forces in the early 1960's. "Picture, if you will, a man who has spent his entire adult life in the Air Force, flying bombers and leading bomber forces. Bombers are his professional commitment and his expertise. His chances for promotion, public recognition, and success, and those of the officers serving under him, are largely tied to the continued importance of bombers. He believes strongly in what he is doing; that is one of the main reasons he does it well. Now suppose—as happened in the late 1950's and early 1960's—that the development of the intercontinental ballistic missile (ICBM) makes bombers highly vulnerable and less useful as the nation's chief means of deterrence. The nation's needs shift from bombers to missiles. The Polaris missile-firing submarine is developed, and the nation's needs further shift from the Air Force to the Navy. It is no reflection on the honor, patriotism, or dedication of such a man to say that it is unreasonable to expect him to be objective about the shift of the strategic mission from bombers to missiles and from the Air Force to the Navy.

  "The traditional approach to dealing with this problem has been to say that this man must be made to compromise and reach agreement with another man who has spent a similar career in aircraft carriers. Not surprisingly, the easiest thing for them to agree on is *more* bombers and *more* carriers, and this, more often than not, is what happens. So this approach, rather than solving the problem, simply builds the pressures for more and more spending and creates another problem: that of spiraling and unmet military requirements . . . There is no reason to suppose that, faced with this financial limit, the "bomber general" and the "carrier admiral" will agree to cut back their preferred weapons to make room for Polaris submarines. Their tendency will be to agree on bombers and carriers, especially to the extent that the matter depends on 'judgment' rather than on explicit criteria of national need. Powerful institutional forces push them in that direction. And Polaris, being new, is not likely to be represented at the bargaining table."

  In 1961, McNamara entered the picture, identified the issues of strategic forces for the 1960's as one of his central priorities, and had his Systems Analysis Office (a staff of civilians, reporting to him and responsible for independent analysis of U.S. military strategy, forces, and budgets) examine the issue thoroughly. Building on earlier studies, especially those at Rand, Systems Analysis found that submarine-based missiles outperformed bombers and carriers in performing the strategic mission. Persuaded by this analysis, McNamara applied the full powers of the Secretary of Defense to eliminating the B-70's, delaying acquisition of any new manned bomber, holding the line on carrier-based nuclear delivery aircraft, and acquiring Polaris nuclear missile-launching submarines much more rapidly than the Air Force or Navy recommended. As Enthoven concludes: "This problem is not unique to bombers or carriers. It pervades the Defense decision-making process. Nor is it a problem peculiar to Defense planning. The same thing happens in universities. Does anyone expect the classics professor to be objective about a cut in his departmental budget in response to a shift in student interest from classics to physics? . . . In short, the institutional factors working against the national interest in the Defense establishment have their counterparts in all walks of life." Enthoven's suggestion that institutional factors could affect advice and deci-

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sions in so noble and high-minded an institution as the university strains the imagination. But he has put his finger on a major problem for organizations dominated by career officials.

- *The F-111.* 1961 was the year of another of McNamara's major decisions, one of the least successful of his Secretaryship: the decision to force the Air Force and Navy to develop the F-111 jointly as the single, limited war fighter aircraft for both services in the 1960's. McNamara had come from the Presidency of Ford Motor Company to the Pentagon determined to improve the cost-effectiveness of Defense purchases and to shape forces to meet national foreign policy objectives and strategies. The TFX seemed an opportunity to do both: to eliminate the unnecessary duplication involved in each service's developing a separate fighter for essentially similar missions and to acquire a fighter tailored to the Administration's new limited war strategy. The services resisted McNamara's demands. He insisted. In the end, he amended the specific operational requirement (SOR) himself, attaching his notorious memorandum of September 1 to the Air Force's SOR 183, directing the Air Force and the Navy to develop a limited-war fighter on the basis of these specifications. Despite McNamara's intentions, the plane that emerged emphasized TAC's primary mission: "deep nuclear interdiction," i.e. delivering nuclear weapons against targets deep within enemy territory, an activity not very important to the limited war strategy McNamara envisaged. During the development process, the emphasis on nuclear interdiction and its associated performance parameters severely constrained achievement of the limited war capabilities. During his last four years as Secretary, McNamara spent an inordinate amount of his own personal time and influence trying to salvage his original ambition, but without success. As Vietnam showed, the F-111 was not a suitable limited war fighter. The Air Force ended up acquiring one-third as many F-111's as originally planned at twice the total program costs and then proceeded to develop its own tactical fighter, the F-15. The Navy version of the aircraft, the F-111B, was cancelled. No F-111 flew off carriers in an operational role because zero were procured, though developmental costs exceeded $375 million. In addition, the Navy was allowed to develop its own fighter, the F-14.
- *Skybolt and the Department of State.* In 1962, President Kennedy (on Secretary McNamara's recommendation) decided to cancel Skybolt, a nuclear armed air-to-surface missile being developed by the U.S. for use by both the U.S. Air Force and British Royal Air Force. Since Skybolt had been the *quid pro quo* for an American nuclear submarine base at Holy Loch, President Kennedy noted that cancellation would pose serious difficulties for the British independent deterrent and instructed that the British be given proper warning and a fair shake. McNamara called his counterpart, British Minister of Defense Peter Thorneycroft, to deliver the warning. McNamara and the other principals in the U.S. Government then waited for the British to decide what, if anything, they wanted in lieu of Skybolt and to make their proposal to Washington. For a variety of complex, internal, political reasons (explored in the case on Skybolt), Macmillan and Thorneycroft were not willing to broach the issue of an alternative to Skybolt on the basis of a simple warning from McNamara that Skybolt would be cancelled. Thus both the U.S. and the U.K. Governments awaited firm action by the other, and a series of misunderstandings produced a flap that escalated to an Anglo-American summit between the President and the Prime Minister. While this case illustrates a number of important problems, the aspect of special interest here is the role of the Department of State. Prior to McNamara's warning to the British of impending cancellation, he received over Secretary of State Rusk's signature a letter instructing him that under no circumstances should he suggest to the British that the U.S. would give the Polaris as a substitute for Skybolt. Such an action, Secretary Rusk's letter said, would be contrary to American foreign policy interests in U.K. entry into the EEC. The letter had been pressed on Rusk by officers in EUR and Policy Planning, and he signed it, though he did not feel strongly about the issue himself, and indeed was prepared to see the U.S. give Britain Polaris if that were what the British demanded. McNamara heeded this instruction by waiting for the British to ask for Polaris (which he was prepared to sell them) and by instructing his subordinates working on the problem not to discuss Polaris with the State Department officials. Thus, as the misunderstandings between the U.S. and the U.K. grew, State had had its say, McNamara prepared to take action contrary to State's instruction (but only in response to a British demand), and no one worked on the diplomatic dimensions of the problem. Consequently, the need for a generous offer from the U.S. to the U.K. was not noticed; an offer that almost certainly would have avoided a flap (the

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50–50 deal that President Kennedy invented in an hour on the plane to Nassau) never surfaced in deliberations; no one considered granting Britain an escape clause from their NATO commitment, and so at Nassau, the U.S. merely improvised, unprepared to exact the price; and no attention was given to the special problem of DeGaulle, so the cable from Nassau to Paris offering a "similar" deal failed to recognize that the offer would sound hollow, since the French were denied the nuclear technology required to make the system effective.

These vignettes highlight several salient features of the problem of managing the departments and agencies of the Permanent Government.

1. *Most of the action, most of the time, is taken by the departments and agencies that constitute the Permanent Government (or not taken at all).* Concentrated, continuous application of the influence of a new and determined Secretary of Defense succeeded in emphasizing Polaris rather than the B-70. But Polaris was an entree on the menu, having been developed by a special office in the Navy committed to the program. Polaris was *added* to other U.S. strategic forces of the period. As the case on U.S. strategic forces in the 1960's shows, the sum of U.S. strategic forces reflected service demands as well as McNamara's preferences. In choosing a tactical fighter for the limited war mission, McNamara was less fortunate. The SOR he amended had been formulated by TAC, and TAC oversaw its development. The Navy controlled most of the hundreds of decisions about development of the F-111B that led to its eventual cancellation. Secretary Rusk's willingness to sign a letter of instruction to McNamara and then to cede to him further consideration of the diplomatic ramifications of Skybolt (combined with McNamara's lack of enthusiasm for quibbling with State Department subordinates who did not carry their Secretary's mantle) meant that the relevant State Department offices could be cut out of the staffing of this issue. But these were the offices most likely to notice the 50–50 offer, the escape clause, and the French problem.

2. Departments and agencies are created to pay special attention to particular aspects of a problem. *Over time—and not much time is required—these organizations develop their own conceptions of how they should fulfill the mission.* Organizational structure creates departmental parochialism that is reinforced by the environment. But institutional needs and demands exaggerate the parochialism and give it a special twist. Hence, the manner in which each department tends to its designated mission reflects organizational needs and demands as well as the mission assigned. In the early 1960's, TAC contributed to American air power by preparing for the deep nuclear interdiction mission.

3. Departmental behavior is importantly affected by the operational goals of the department's career services, among which organizational health is preeminent. Organizational health is seen by careerists to depend on maintaining the autonomy of the organization in pursuing what its members view to be the "essence" of the organization, maintaining morale, maintaining or expanding roles and missions, and maintaining or increasing budgets.

4. At any given time, a department consists of existing units with their current operational goals and fixed routines. But nature does not assure that the existing organizational units, each attending to its goals according to its routines, will combine to yield effective performance of its assigned responsibility.

5. A central role of the President and his administration, therefore, is to appraise needs and insert their priorities and conception of the national interest.

6. The understanding, skill, power, and tenure of administrations is limited.

7. A central question is therefore: *how to best assure that departmental action effectively serves a broader conception of national needs.*

B. Inadequacies And Recommendations

The cases suggest a number of inadequacies in solving this riddle and some recommendations about possible ways of improving performance.

1. The Fallacy of Top-Down Control. Where the structure of departments and their subunits is not, in the main, well-tailored to national objectives, reorganization may be required to alter the balance of interests in the process or create a needed capability (as discussed above). Where reorganization is not possible, circumvention may be necessary. Consciously chosen and carefully implemented, such actions can suffice. But the view that short-term administration officials can swim against the stream, making all important decisions and getting appropriate action, qualifies as one of the chief errors of the 1960's.

2. The Absence or Weakness of Independent Analysis. No secretary should be dependent on the analysis and advice of his departmental career service alone in making the central choices he faces. This seems clearest in Defense. As Enthoven concludes: "For a host of reasons, including interservice and intra-service competition, service and JCS staffing procedures, the strong desire of each service to expand its size and usefulness, the preoccupation of most officers with military means rather

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than ends, and the lack of career independence among members of the military professions, the range of alternatives presented to the Secretary of Defense by his military advisors will be constrained by institutional factors. With rare exception, they are likely to call for varying degrees of "more," since this is the only position that can be agreed to by all parties and since it satisfies the military planners' inherent conservatism. If the Secretary wants a wider range of alternatives—alternatives that include "less" as well as possible non-military solutions—he will need civilian analysts possessing the necessary analytic skills and with the charter to cut across service institutional jurisdictions and integrate force and mission contributions from all the services. This does not mean that alternatives offered by civilian analysts are necessarily "better" than those of the military. But they are likely to be more broadly based, balanced, and concerned with getting the most from available resources. In any event, some kind of countervailing power is clearly needed if the Secretary of Defense is to sort out the desirable and the undesirable changes." The argument applies to other departments as well, even the Department of State.

3. The Absence and/or Weakness of "Implementation Analysis." Not only do Secretaries need independent analysis of specific choices, for example, the relative merits of bombers and submarines or the pro's and con's of alternative diplomatic offers. Secretaries also need careful analyses of institutional factors affecting departmental performance: the division of roles and missions; the match or mismatch between each organizational unit's operational goals and the department's broader objectives; and the like. Moreover, for making specific choices, Secretaries need "implementation analysis," that is, systematic analysis of the ways institutional factors will affect the actions of the organizations and organizational units that implement choices, e.g. the Navy and F-111B. (For more on implementation analysis, see Chapter 3.)

4. The Weakness of Secretarial Teams. President Kennedy gave Secretary McNamara a relatively free hand in appointing his principal associates in the Department of Defense. His team of a dozen colleagues in key jobs represented the minimum Secretarial group required for administration influence of some of the most important actions of that department. But no other Secretary of Defense or State has had even that much leeway in appointing his team. Secretaries of State in particular have been asked to sit atop organizations in which Undersecretaries or Assistant Secretaries or Ambassadors have been appointed previously, leaving them with many individuals who do not conceive of themselves as working for the Secretary. Not since Marshall and Lovett has there been a functioning Deputy Secretary of State. None of our cases finds a Secretary of State making a real effort to manage the activities of that department. If a President wants an interest in bilateral relations and broader foreign policy concerns to be represented powerfully in the policy mix, he should appoint a strong Secretary of State committed to this objective and allow him to appoint his team. If a prospective Secretary hopes to manage a department effectively, he should point out the necessity for leeway in forming a team. Perhaps the Commission could propose some guidelines for Presidents and Cabinet officers who want well-managed departments.

5. Inattention to Personnel. The most powerful but least-grasped lever for influencing departmental behavior is the "personnel system": procedures for recruitment, socialization, training, reward, punishment, and exit of career employees. Poor management of U.S. weapons development stems in large part from the short tenure and limited experience of program managers. Recent shifts in promotion procedures have begun to lengthen the tour of duty of managers of major weapons systems. Performance of Army Lieutenants and Colonels in Vietnam reflected promotion criteria. The personnel system of the Department of State has repeatedly been identified as the chief cause of much poor performance. But who can recall the last Secretary of State who took any serious interest in Foreign Service personnel practices?

Among the kinds of recommendations that the Commission should consider for high-level attention to the Foreign Service personnel system are:

- de-Wristonization of the Foreign Service.
- what Phil Heymann calls "family planning" of FSO's, that is, careful identification of the number of responsible jobs to be filled by FSO's and control of the population to fit this requirement.[4]
- creation of a limited number of temporary grades (that carry the status but not the pay) which the Secretary could bestow for the duration of a particular assignment. Thus an officer with class 5 or 4 could be assigned to a grade 1 or 2 for a particular job, at the end of which he would return to his original grade.
- creation of an internal FSO job market, where assignments throughout the system would be posted and applications from interested officers who felt themselves qualified encouraged.
- revision of promotion practices, abolishing the current review boards, and assuming regular promotion during the middle years, except for a small number (five percent) of exceptionally able or exceptionally unqualified officers.

[4]These suggested recommendations are heavily dependent on suggestions by Heymann.

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For Defense, the Commission should look hard at a recommendation that the Secretary of Defense take an active role in appointing service review boards and approving the criteria they use for review and promotion of Captains and above. While the involvement of the Secretary in this process runs some risk of abuse, risk can be addressed by appropriate Congressional oversight and publicity. What is currently, at least in part, an intra-service political process would be broadened to include the Secretary of Defense and criteria that reflected his perspective.

6. Limited Understanding of Processes Secretaries are Charged with Managing. On the record of these cases, recent Secretaries of Defense, State, and other departments, have understood poorly the complex processes they were charged with managing. In the case of the F-111, Secretary McNamara's reach exceeded his grasp. The contrast between his success with the F-4 (an operational Navy fighter that McNamara persuaded the Air Force to buy by refusing to authorize purchase of any more F-105's) and his failure with the F-111 is instructive. In the first, he could get what he judged best for the nation by saying: no. In the second, his affirmative decision amounted to an order, the accomplishment of which depended on actions over a period of many years by individuals and organizations, semi-independent of his control, with objectives different from his. By stopping Air Force purchase of F-105's, and offering the Air Force F-4's, if they liked, McNamara had leverage. In telling the Air Force and Navy to develop an aircraft jointly (the thought of which they abhorred) for a limited war mission (which TAC regarded as secondary), McNamara asked for too much. *The principal power of a Secretary of Defense (and Secretaries in other departments) is the power to say no.*

To improve their own understanding of their management job (and to build a stronger base of understanding for their successors) Secretaries should sponsor careful analyses of major management problems—to be done both by internal staff and by external research groups. Studies performed by the current Director of Net Assessments in DOD (and previously at NSC) suggest what can be done. Secretaries should also reach out for, develop, and use more management tools like independent staff analysis of major policy choices, PPBS, implementation analysis, behavioral accounting and control, personnel control, and the like. While lots of snake oil is sold with labels promising miraculous management cures, some crude crutches really are available; others can be developed; and departmental managers badly need whatever aid they can get.

As an aid to the new group of senior officials who may be appointed after the 1976 election (in a new Ford Administration or otherwise), the Commission should sponsor the preparation of a notebook of selected recommended readings about the processes of decision and action in each of the major foreign policy departments and agencies, and proposed changes for improving performance. The Commission's research program provides a rich source of such material, though the notebook should include other related work as well. The Commission's mandate will have expired, but the Commission should make arrangements for these notebooks to be given to incoming officials with the compliments of the Commission.

7. More specific recommendations both for strengthening departments and agencies (especially State, ACDA, and OMB) and for improving the management of each are being developed by the subcommittee staff.

III. THE TASK: CENTRAL DECISION AND COORDINATION

A. The Shape Of The Problem

- *U.S.-U.K. Relations, 1964–67.* Francis Bator's testimony to the Heineman Commission defines this problem with reference to an historical fragment that appears in several of our cases (Troops and Offsets, Skybolt, and MLF). "Recall that in the autumn of 1964 a new Labor Government took over in London in the midst of a foreign exchange crisis. Mr. Wilson decided against devaluation at that time but it soon became clear that the foreign exchange bind, and more generally too many claims on not enough resources would, in the absence of extraordinary luck, force on the United Kingdom difficult choices involving the British military presence east of Suez, Britain's NATO forces, foreign aid, trade policy, the exchange rate, domestic economic policies, *et cetera.* Obviously the United States had a great interest in what HMG would decide about all these matters during the course of the next several years. And it is not surprising that different parts of the U.S. Government had different priorities. The Treasury and "the Fed." were primarily concerned to avoid a British devaluation and, by the autumn of 1965 to assure London's support in the SDR negotiations. The Economic Bureau of State and STR were mainly worried that London might impose protectionist restrictions that would endanger the Kennedy round. Commerce, also concerned with a good industrial bargain in the Kennedy round, had its mind on such

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things as textiles. Agriculture was preoccupied with the Kennedy round and the inequalities of the common agricultural policy. The European Bureau of State, and a part of the seventh floor, were primarily concerned with the British role in Western Europe and Germany in NATO, and with United Kingdom policy *vis-à-vis* the Common Market. They were scared to death by any large drawdown of the British Army on the Rhine (especially given the effect on our troop levels, in the light of congressional sentiment). Last, the top of Defense and State were principally concerned about the British role east of Suez and their stance on Vietnam. Similar differences about priorities existed on the British side, among the bureaucracies of the British Government and within the Cabinet. Moreover, all these issues were to come up for the first time, implicitly if not explicitly, during the first visit by the new Chancellor of the Exchequer to the new Secretary of the Treasury during the early summer of 1965. This would be the first face-to-face contact at any level where these issues would begin to impinge on each other. And as a normal matter such a Treasury-to-Treasury visit would be handled as primarily a Treasury matter." Bator concludes, "it is obvious that in a situation we faced *vis-à-vis* this United Kingdom during the spring of 1965, allowing each department and each bureau and each Cabinet Officer to communicate to his counterpart his own priorities on these matters would have created an unholy mess in British-American and Atlantic policies."

- *CBW.* In Vietnam, the U.S. made extensive use of chemicals—tear gas and herbicides—as a weapon of war. During the 1960's, the U.S. also maintained substantial biological warfare capabilities. Both were contrary to the Geneva protocol of 1925 (a Treaty banning the production and use of chemical and biological weapons) which had been signed by more than ninety nations, not including the United States. Among major nations, the U.S. alone reserved the right to use any chemical and any biological weapon whenever and wherever the U.S. Government chose. This policy was strongly supported by the JCS, and they were therefore disturbed by occasional statements by U.S. representatives to the UN and ACDA officials that suggested U.S. policy might be otherwise. Consequently, in 1967, the Chiefs asked Secretary of Defense McNamara to seek a national position of no restraint on American use, and to direct officials in State and ACDA to stop making statements to the contrary. Under the procedures of the Johnson Administration, an issue of this sort would reach the President only if a senior official were prepared to make a recommendation and urge the President to adopt it over the opposition of other senior officials or the JCS. Thus, the JCS letter to McNamara asking for a national policy on CBW confronted the Secretary with three alternatives: endorsing the Chiefs' proposal, presenting his own recommendation and urging the President to overrule the JCS, or finding a way to put off the issue. Having other things that seemed to him more important to fight with the JCS about, McNamara not unnaturally decided to avoid a conflict by forwarding the JCS plan to the State Department in a manner that suggested he might not be willing to do battle with the Chiefs on the question. McNamara's letter confronted Secretary of State Rusk with the same dilemma. He chose to solve it in the same manner by forwarding the Chiefs' proposed policy to the Politico-Military Bureau in his department, instructing that it come back with a unified State Department position. As it happened, the development of such a position was not possible in the absence of strong guidance from the Secretary of State. Indeed, it was impossible to get consensus even within the Bureau of Political and Military Affairs, split as it was between those who gave major weight to the views of the Joint Chiefs and those concerned with matters of arms control and disarmament. Once other bureaus were brought into the act—the UN bureau, the Legal Bureau, the Science Bureau, and the regional bureaus upon whom these policies might impact—the situation became hopeless. Thus, State spent the last year and a half of the Johnson Administration in a frustrating, unsuccessful effort to come up with an agreed position to recommend to the Secretary of State. In the months after the March 1968 announcement by LBJ that he would not seek reelection, when the President and the White House Staff were actively seeking initiatives that could contribute to a "peace legacy," no CBW option reached the President. Given his apparent continued determination not to overrule the Joint Chiefs, and given the fact that the procedures which he had established did not produce a wide range of options or information, no options at all reached the President. And, if any had reached him, it would almost have certainly been a very watered-down option, the lowest possible consensus between the military and civilian officials in the government.

The Nixon Administration instituted a different procedure that produced a very different outcome. In 1969, the Joint Chiefs of Staff again asked the Secretary of Defense to seek a

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national policy on CBW. The Secretary wrote to the President's Assistant for National Security Affairs suggesting that a NSSM be issued (a request for an interagency study that laid out all major options for CBW policy and stated the pro's and con's of each). Since the procedure called for all options, not simply those recommended by a senior official, junior officials could get options included by simply arguing that an alternative was in fact a conceivable option. For example, when the JCS objected to the option of a total renunciation of chemical and biological weapons, they faced the counter-argument that the working group was under instructions from the President to present him with *all* options. They could state the objections to such a policy, but no one could deny that it was an option. After the study was completed and approved by the Review Committee, the issue went to an NSC meeting. There the Chairman of the Joint Chiefs of Staff personally stated the views of the Joint Chiefs directly to the President. This formal procedure permitted the Joint Chiefs and all other departments to know that both the study's options and their agency's recommendations had been considered by the Commander-in-Chief in arriving at his position. This formal procedure also permitted the President to gauge the intensity of the JCS and others' feelings on the issue. Though the Chairman of the JCS defended the Joint Chiefs' position as "vital to the national security," the fact that the Chairman was expressing views on issues at the weekly NSC meetings meant that he could not assert the same intensity of feeling on each. As it turned out, the JCS did not feel very strongly about their renunciation of biological weapons (but were essentially defending the interests of the Chemical Corps of the Army). Thus, after all views had been given a fair hearing, the President could judge the options, the pro's and con's, and the recommendations of his principal advisors. But the decision remained his. President Nixon faced the issue and decided to reverse previous American policy, renouncing unilaterally America's right to produce and use biological weapons under any circumstances, pledging to destroy existing stockpiles of biological agents and munitions, renouncing the first use of lethal and incapacitating chemical agents, and pledging to sign the 1925 Geneva Protocol and submit it to the Senate for ratification.

- *SALT.* In June of 1968, following an indication from the Soviets that they were ready to enter talks on limiting nuclear arms, President Johnson directed Secretary of State Rusk and the Committee of Principals (the high-level interagency group that handled arms control matters) to assemble speedily an *agreed position* on strategic arms limitations to table in negotiations with the Soviet Union. The job of forging the agreed position fell to the low-level working group, the "SALT Committee," consisting of Deputy Assistant Secretary level participants from Defense, State, ACDA, with representation from the JCS. The negotiating position that emerged from a fast summer's work is instructive both for what it did and for what it did not include. Overall, it did constitute a package of proposals that recognized U.S. security could be enhanced by agreement with the Soviet Union not to develop certain arms, that agreements could be reached on levels of ICBM's and ABM's without on-site inspection, and that the U.S. could accept equal numbers of ABM's with the Soviet Union. But it was a package that left out MIRV altogether, excluded any mention of ABM radars, and achieved consensus on ABM mainly because the JCS believed that the Soviet Union would never agree to ABM limits. The decision to omit MIRV and eliminate ABM radars from the package was made not by the President, or even by the Committee of Principals, but instead by the low-level officials assembling the package—on the grounds that the JCS objected to inclusion of MIRV or radar and that without the JCS there could be no agreed package. Had negotiations begun, the U.S. position would have developed in the course of negotiating, but the initial package represented a bureaucratic compromise in which decisions about the form of the compromise were made neither by the President nor by his chief advisors but rather by low-level officials. The negotiating position never reached the table because of the Soviet invasion of Czechoslovakia at the end of August 1968.

The Nixon Administration entered office suspicious of the previous Administration's initiatives on SALT and determined to take a fresh new look at the problem. After an initial round of NSSM's, including NSSM 3 (a comprehensive review of U.S. force posture and the military balance), the initial NSC system evolved to include a standing committee at the Deputy Secretary level (chaired by the Assistant for National Security Affairs), the Verification Panel. And the Verification Panel spawned a Working Group of lower level agency officials, chaired by a Kissinger assistant, Larry Lynn. The Verification Panel and its Working Group assumed responsibility for

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SALT, the Working Group producing numerous, careful analyses of Soviet weapons development, verification problems and possibilities, U.S. SALT options, and negotiating positions. Rather than prepare a single negotiating package to put to the Soviet Union (which they would likely reject, thus creating the need for another round of discussion and fighting in Washington on a second negotiating package) the Working Group prepared a range of alternative negotiating positions for each major weapons system. These alternatives then became "building blocks" that could be shuffled and reshuffled into aggregate SALT proposals. The first round of exploratory discussions were held with the Soviet Union on the basis of nine options, which were eventually reduced to two for the first hard round of negotiations. These two options called for low levels of ABM (either one site at the Capitol or no ABM), but made no mention of MIRV. The negotiating positions of 1970 resembled somewhat the package of 1968: excluding MIRV, negotiating for equal ABM. It could hardly fail to do so, given the importance of basic technological and political forces in focusing on particular weapons and limiting the range of choice, and given that the second position built on the consensus developed in preparing the first package. But differences between the two packages are also important: the second excluded MIRV by explicit Presidential decision, not the decision of some Deputy Assistant Secretary; the second not only limited ABM but really excluded any serious effort to defend populations against nuclear attack; and the second presented more careful analysis to higher level officials and was thus less vulnerable to objections from critics. While none of these differences was attributable solely to the NSC system *cum* Verification Panel, all were substantially affected by the new NSC process.

Against the backdrop of the body of cases, these historical fragments illuminate several salient aspects of the problem of central decision and coordination.[5]

1. As a general rule, foreign relations cannot be separated sharply into "security," "foreign policy," and "economics." "Security" considerations, as in the case of the number of troops the U.S. maintains in Germany or the role of Britain east of Suez are normally tangled with "economic" considerations, for example, the level of offset for U.S. troops, or offset plus other economic concessions for the U.K. And both "security" and "economics" are components of larger foreign policy objectives in relations between the U.S. and the U.K. or the FRG. SALT illustrates the point dramatically: a security consideration (in this case security through arms control) that forms the main strand in both the style and substance of improved relations between the U.S. and the U.S.S.R. Thus, inevitably, important considerations of "security" or "economics" or "foreign policy" merge at the level of high policy in relations among the governments involved.

2. Virtually no issue of importance in foreign relations falls exclusively within the domain and control of a single department or agency—even when departments are managed effectively by a Secretary. The wide-ranging objectives of American foreign policy abroad jumble the jurisdictions of all agencies with roles to play, or claim, in foreign policy: mingling operations along programmatic lines, cutting across vertical lines of authority, breaching the neat boxes on organization charts.[6] SALT did not belong to ACDA or even to Defense; relations between the U.S. and Britain in 1965 could not be handled by State alone. CBW involved State and ACDA as well as the Army Chemical Corps. Relations between the U.S. and allies (and most other nations as well) are importantly affected by actions of almost every major agency in Washington. Recall the list of departments influencing the U.K. in the description above.

3. Especially in alliance relations (U.S. relations with forty-two countries) but also in relations with neutrals and potential enemies, most of the day-to-day business, most of the time, is carried out on a decentralized basis by the departments, subject to routine clearance. To avoid paralysis, separate departments deal with their counterpart bureaucracies in foreign governments, through a variety of informal as well as formal contacts.

4. In doing business (that has impact abroad) in its area of primary responsibility, each department operates its own "buttons" mainly according to its particular institutional role. Though informed by a general conception of Presidential policy, departmental action is inevitably influenced by the perspective and task that are more narrowly its own, and by the concerns of its particular clientele.

5. Even where Secretaries and their teams are Presidential, each Secretary is charged with multiplying the talents in his portfolio. Each is graded—by the President, by his department, and by the department's constituents—on the skill and will with which he carries his department's brief.

6. This de-centralization of primary responsibil-

[5]This discussion relies heavily on Francis Bator's testimony to the Heineman Commission for both concepts and language.

[6]See Richard E. Neustadt, testimony to the Jackson Subcommittee on National Security Staffing and Operations, March 11, 1963.

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ity and day-to-day operations is both inescapable and proper until trade-offs must be made among goals, or priorities established among them, or hard bargaining undertaken on a front involving several objectives. In these instances, the central questions, as stated by Bator, are two: (1) "What procedures will serve to identify situations where de-centralization is likely to cause serious trouble or to forfeit major opportunities? What are efficient mechanisms for *early warning and identification* of clusters of issues where centralized structuring of choice for Presidential decision and centralized strategic management becomes appropriate?" (2) "Once such identification is made of a particular cluster of issues, what mechanisms and procedures are appropriate for managing the bureaucratic process whereby problems are analyzed and strategic choices formulated, brought to high-level decision and, when appropriate (often), subjected to continuing centralized management?"

7. The center to which issues requiring strategic choice must come is the President (and his designated mechanisms and agents). In the American system of government, he—not Congress, or the Secretary of State, or any other official—stands at the center of the foreign policy decision process. Some issues are pushed up to the White House by departments or agencies unable to act independently and not able to agree among themselves. When action requires a trade-off among objectives dear to several separate agencies who share control over the action, the issue escalates. Once started, there is no very satisfactory place to stop short of the White House. In logic and law, only the President stands somewhat above all agencies, a legitimate arbiter. Other issues must be pulled to the White House lest agencies act alone and without appropriate concern for competing considerations. If the policies and actions of the U.S. Government are to have any deliberate, conscious coherence, the President must impose it.

8. To a degree—a large degree—the needs of a President and those of "his" officialdom are incompatible. Agencies need clear decisions, firm delegations of authority, and support, along with bargaining arenas and a court of last resort, so organized as to assure that their advice is always heard and often taken. A President needs timely information, early warning, close surveillance, organized to yield him the controlling judgment, with his options open and his intent enforced. Presidential organizations have rarely served one set of objectives well without disservice to the other. This incompatibility means that there can be no neat, stable answer to Bator's two questions. This inherent conflict accounts for a recruiting tendency to reorganize: leaning towards one set of objectives and then back towards the other.

9. Appropriate mechanisms for centralized management and strategic choice differ according to the extent of personal Presidential involvement in the issue. A rough spectrum includes the following: (1) issues in which the President serves as desk officer; (2) issues in which the President is heavily, though intermittently involved; (3) issues that require discrete, single-shot Presidential decisions; (4) issues that must be settled by the "White House" but can be settled by the assistants who know the President's mind; (5) issues that can be decided at the Cabinet level without the President; and (6) issues that can be resolved at sub-Cabinet levels. Mechanisms must be established for central decision and choice at each of these various levels.

10. While previous commissions on organization have displayed a seemingly irresistible tendency to design a *single* preferred structure for central decision and coordination—White House-centered or State-centered, formal or informal, etc.—the cases suggest that in the past, centralized management has had the quality of a movable feast, a number of different mechanisms coexisting, and their importance shifting in subtle ways to adjust to the personalities involved, most especially the preferences of the President.

11. The cases also suggest that in organizing for high-level, central decision and coordination on major issues, formal structure matters less than semi-formal and informal processes, in particular, the positioning of the right sorts of people in the key jobs.

12. The critical variable affecting which mechanisms are used is the President: his personal preferences and style. (Often his initial preferences don't suit his style, in which case the mechanism evolves.) As Secretary of State Rusk put it so well: "The real organization of the government at the higher echelons is not what you find in the textbooks or organization charts. It is how confidence flows down from the President."

13. It follows, therefore, that efforts to legislate structure for high-level centralized management and decision cannot succeed. As the Jackson Committee on National Security concluded over a decade ago: The NSC exists "only to serve the President" and he alone can "decide how he wishes to use the Council on the National Security Council system." For centralized management and decision on issues in which the President is personally involved, any executive structure that he finds unuseful will go unused.

14. It does not follow, however, that all mechanisms for managing central decision and coordination are equally effective. Mechanisms have differential advantages and disadvantages. While the utility of any given mechanism depends heavily on the President's purposes and style, and the mix of

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personalities in his administration, Presidents and Secretaries should be alerted to the strengths and weaknesses of alternative mechanisms. (An ambitious objective for the Commission would be to provide a formulation of the problem, and an analysis of alternative mechanisms that would be useful in *educating* Presidents, their advisors, and Congressional leaders.)

B. Alternative Mechanisms for Central Decision And Coordination (at The Presidential Level)

The cases illustrate a number of alternative mechanisms for central decision and coordination at the Presidential level, and indicate some of the strengths and weaknesses of each. The Commission staff should survey the full collection of cases, including especially those in foreign economics, and policy towards South Asia as well as defense and arms control, and attempt to prepare a comprehensive overview of the functions performed by such mechanisms and the dimensions along which mechanisms used in the recent past differ. After reviewing all the cases, Commission staff should be able to offer more definitive judgments about relative strengths and weaknesses of each mechanism. Here we will simply name the major mechanisms that appear in our cases for identifying and managing central decision and coordination of issues in which the President is repeatedly involved, or involved in single-shot discrete decisions. We will also note what seem to be representative advantages and disadvantages of each of the mechanisms illustrated by the cases.

1. *A Formal State-Centered System: The State Department SIG/IRG.* The traditional answer to the question about central management and coordination names the Secretary of State as the "Agent of Coordination" and expects a State-chaired committee system to identify foreign policy issues that require central management and bring recommendations to the Secretary of State, and if necessary, the President. President Kennedy abolished Eisenhower's highly formalized White House-centered system of national security policy-making and coordination, naming instead the Secretary of State as "the agent of coordination in all our major policies towards other nations." President Johnson established the SIG/IRG System of interdepartmental committees to "assist the Secretary of State" in his responsibility for "the overall direction, coordination, and supervision of interdepartmental activities of the United States Government overseas." The system consisted of two tiers of committees: Interdepartmental Regional Groups (IRG's) for area problems, chaired by the relevant Assistant Secretary of State; and the Senior Interdepartmental Group (SIG) for more important issues, chaired by the Undersecretary of State. Both included representatives of the Secretary of Defense, the Joint Chiefs of Staff, CIA, AID, USIA, the NSC Staff, and other agencies that the chairman thought relevant for a particular meeting. According to the blueprint, IRG's would settle regional issues or, where resolution was not possible, appeal issues to SIG. SIG would decide more general and important issues, or on appeal, refer competing recommendations to the Secretary of State. The Secretary of State would settle the issues he could and take the others to the President.

What must be said about SIG/IRG, and the various other efforts to make the State Department the primary mechanism for managing central decision and coordination of Presidential issues, is that they have not worked.[7] What might also be said is that the concept has never really been tried. There are many reasons. The record of events suggests that no recent President has in fact wanted State to play the preeminent role (Ford perhaps excepted). Nor has any Secretary of State in the last fourteen years seriously addressed himself to the problem of managing the Department of State and making it even his own agent. In the case of SIG/IRG, neither the President, nor the Secretary of State, nor the Secretary of Defense, nor the Assistant for National Security Affairs had any enthusiasm for the mechanism. Its failure, therefore, does not constitute any final judgment on the possibility of the State Department's managing central Presidential decisions and coordination through a fixed committee system. But some characteristic disadvantages of this mechanism do emerge from our cases:

(1) SIG/IRG generated *recommendations,* sponsored by agency advocates, backed by their arguments, rather than options with pro's and con's of each. Consequently, issues were raised at each level only in terms of recommendations by a particular department or agency, or two competing recommendations among which each successive level in the process was asked to choose.

(2) SIG made recommendations to the Secretary of State, not to the President. The Secretary then had to decide whether to take an issue to the President, which normally would mean a confrontation between him (arguing the State Department's recommendation), and a Cabinet colleague (arguing his department's recommendation). As a consequence, Secretary Rusk sat on many SIG recommendations rather than taking them to President Johnson, for example, SIG's

[7]The evidence from the cases does not include sufficient material on Kissinger as Secretary of State to permit that experience to be included in these generalizations.

recommendation on Okinawa reversion or SIG's recommendation on a NATO Payments Union in the troops and offsets case.

(3) Most important issues require trade-offs among objectives that are first order for the department and Secretary involved but second order for the Secretary of State, for example, the rotation of the squadron of aircraft in the troops and offset case or the nature of the American substitute for Skybolt.

(4) It is difficult for the State Department to be, or to appear, a neutral arbiter. To most other departments and Secretaries, State appears to be another representative of a special perspective, the representative of an interest in bilateral relations and a conception of American foreign policy interests in which the main point is to keep the game going with as little disturbance as possible. As Elliot Richardson told the Commission, "It needs to be recognized, I think, that the Department of State tends automatically to regard good relations with other countries as almost ends in themselves; whereas, from the perspective of the President, good relations with another country may simply be a credit to be drawn down in the interest of some identifiable issue."

(5) Fixed committees encourage departmental representatives to play institutional roles. Thus, Assistant Secretaries or Undersecretaries make departmental briefs. Solutions tend toward lowest common denominators, and issues escalate as departmental recommendations, rather than a rich map of the issue.

(6) Fixed committees have a tendency to expand and almost no capacity for shrinkage. Particularly where a committee is named to coordinate all relevant departments, marginal participants crowd in.

(7) Fixed membership committees designated to deal with a broad range of matters inevitably include members who are not central, or sometimes even relevant, to a given issue. Central participants are reluctant to transact serious business in front of bystanders, and find alternative times and places for the hard arguments.

(8) The State Department's Assistant Secretaries and staffs have typically lacked the expertise, the information, the analysis, and the basic intellectual power to manage and contain officials from other departments on issues in their areas of expertise. Consistently, State has lacked the expertise and energy to confront Defense on security issues, Treasury on economics, or CIA officials on intelligence. Indeed, State has had no obvious comparative advantage in what would seem its own turf, namely, assessing foreign governments, their likely actions, and the impact of proposed American actions on the politics of foreign governments.

2. *Bureaucratic Consensus.* As both the CBW and SALT cases illustrate, in many areas of policy-making, President Johnson's inclination was to ask for bureaucratic consensus. Both involved second order issues, that is, one which required only a discrete Presidential decision. But the *Pentagon Papers* show the extent to which this preference also shaped the decision process on the over-riding issue of his Administration, Vietnam. The principal weaknesses of this system are several:

(1) Many issues of importance never reach the President. In some instances, the bureaucracy cannot agree, so the issue languishes in interoffice and interagency dispute, viz. CBW during 1967 and 1968. In other instances, senior officials have competing recommendations, but no individual is willing to pay the price (in terms of his time, energy, and relations with other Cabinet officers as well as the President) to force a confrontation and a Presidential decision.

(2) Where there is disagreement and the issue rises to the President, it comes in a highly personalized form: competing recommendations bear the name of a senior advisor and his bureaucracy sees him as their champion on the issue. Thus this arrangement accents the extent to which, in choosing among alternatives, he is also choosing among advisors.

(3) Where a consensus comes to the President, it represents a lowest common bureaucratic denominator, that is, a position composed of compromises among bureaucratic interests, the trade-offs having been made at lower levels of the process, viz, the exclusion of MIRV or ABM radars in the 1968 SALT negotiating position.

(4) Nothing assures that issues will come to the President in a timely manner.

The principal advantages of the bureaucratic consensus system would seem to be three:

(1) Once the bureaucracy has reached consensus about what should be done, if the President agrees, implementation follows more easily. (This is not always true, however, since the ostensible bureaucratic consensus may include some actions controlled by a single department, the department knowing that the action will not be monitored and not intending to perform it.)

(2) Decisions that emerge by consensus represent (to some extent) a sense of the government about American interests and policy, as against particular preferences of the President and his administration.

(3) In policy areas where the system is used, the President is spared vocal conflict within the government and hard choice among advisors. After a decision is made, it is more difficult for opponents to leak documents showing that they favored an alternative.

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3. *An Informal White House-Centered System: Active Presidential Staff Managing Ad Hoc Task Forces.* The case of troops and offsets, both in late 1966 and again during the Trilateral Negotiations of 1967, exhibits another mechanism for centralized decision and coordination employed by President Johnson: active Presidential, White House staff assigned primary responsibility for strategic management and coordination in a particular policy area, operating primarily through *ad hoc* Presidential task forces. In this case, Francis Bator as Deputy Special Assistant for National Security Affairs had the assignment for foreign economics, Europe, and Japan, while the Rostow Group (chaired by Undersecretary of State Eugene Rostow) managed the bureaucratic process by which a map of the issue was drawn, options identified, and choices put to the President.

Bator—who, not surprisingly, feels that this is *the* solution to the problem of centralized decision and coordination—characterizes the key features of this mechanism as follows:

- An Assistant for National Security Affairs with two or three Deputy Assistants who are truly "Presidential," each directly responsible to the President for managing the bureaucratic process by which strategic issues are identified, choices formulated for Presidential decision, and execution monitored; each responsible for a major region or cluster of problems; each with access to the President to match his responsibility ("known to carry the President's flag") and operating in his own domain over all relevant departments dealing with all the relevant individuals from the Cabinet officer down.
- Each Deputy Assistant for National Security Affairs with a small staff of not more than two or three junior NSC staff officers.
- Early Warning and Identification of issues requiring strategic management performed by the White House staff officer plus an interagency group chaired by a strong Deputy Secretary of State. Each staff officer "within his domain [having] his fingers in every important pie in every department, [having] a well-developed spy system throughout the bureaucracy, and [being] constantly on the lookout for clusters of crosscutting issues."
- After identification of issues, the Special Assistant takes the lead in assuring timely formation of *ad hoc task forces* tailored to the problem at hand. According to Bator, "the situation is one that requires the sustained, close attention of high-level people sufficiently authoritative to command the bureaucracy and to minimize the temptation to end run. What is needed for any particular cluster of issues is an *ad hoc* group consisting of a small number of people who are senior enough to marshall the resources of their agency; not so senior as to make it impossible for them to keep up with detail or spend the time needed for comprehension and sustained exploration of each other's minds; and close enough to their Secretaries and to the President to serve as double-edged negotiators (each operating for his Secretary in the task group bargaining, and in turn representing the group's analysis of the issues and choices to his Secretary)." The task forces consist of Undersecretaries and Senior Assistant Secretaries—officials of sufficient rank to speak for their Secretaries—who are relevant to the particular issue.
- The task force is charged with drawing for the President a good map of the issue—specifying the choices open to him, and the contingent consequences of each choice—and overseeing implementation.
- On important issues, the Special Assistant is responsible for exposing the President face-to-face "to the sharply stated views of his own principal barons within the Executive Branch and appropriate barons from the Hill and elsewhere."
- The task force forms to deal with a particular issue and then dissolves, again at the initiative of the White House staff in consultation with the President.

The cases illustrate a number of the advantages and disadvantages of this mechanism.

ADVANTAGES

(1) Assigning specific responsibility for the task of central decision and coordination to a named individual, responsible to and accountable to the President for his performance.

(2) Allowing flexibility in assembling the key people relevant for a particular issue, without extraneous bystanders.

(3) Encouraging serious discussion and hard argument in which participants can be encouraged (since the task force is Presidential) and expected (since deliberations are secret) to relax departmental parochialism.

(4) Producing good maps of the substantive issue, options, pro's and con's, and accurate estimates of the consequences of each choice.

(5) Yielding significant Presidential (and White House staff) control of timing and form of issues, since White House staff has access to deliberations at all levels and has significant influence over agendas.

(6) Allowing sufficient interaction among members for management of the tactics of fast-moving issues.

(7) Permitting a running conversation among the men charged with managing the problem that can produce collegiality and a shared conception of longer-term objectives (that is nonetheless close enough to current choices to affect action).

(8) Facilitating implementation by involving key individuals in relevant departments in the management of choice, and the resubmission of issues for redecision.

DISADVANTAGES

(1) Demands unusual talent and temperament in White House staff. On the record, more often than not, Bator's "holder of the ring" decides to play the game himself, as a senior advisor in his own right, e.g. Bundy on Vietnam, Kissinger on everything.

(2) May miss important issues for discrete Presidential decision, given the press of other business, the limited number of hours in a day, and the limited number of White House staffers who can be Presidential.

(3) Fosters resentment in the rest of government about secrecy and "clubbiness" since most of the government sees an issue arise, and then disappear into a black box. Violates Permanent Government's expectation of due process and often fails to present legitimate interests that have a stake in the issue and that should therefore enter the balance of choice, e.g. the JCS were never members of clubs. Resentment exacts costs in continuity, information, and implementation.

(4) Tends to emerge late, as external deadline looms, by which time opportunities may have been foreclosed. (The last-minute formation of the Rostow Group in 1966 accounts in part for its neglect of the German Government's problem with the old offset agreement. Kaysen's absence from Washington during the Skybolt episode meant that his beat went uncovered.)

(5) Requires unusual talent and temperament in the departmental Undersecretaries and Assistant Undersecretaries, since individuals in these jobs are asked to serve as Presidential staffers as well as departmental decision-makers.

(6) Encourages attention to the tactics of issues and tactical management of a string of decisions, rather than focusing on high-level Presidential decisions about objectives, leaving tactical management to the departments.

(7) Operates essentially on the basis of the prevailing, high-level understanding of an issue, and information about the issue presented by the departments (thus, for example, missing the fact that one key element in the offset solution in 1967, the rotation of a division of U.S. troops, was unreal).

4. *A Formal White House-Centered System: NSC, 1969.* On Inauguration Day, 1969, President Nixon established a new formal NSC system.[8] By most accounts, this system operated according to the original plan for the first six months, after which it evolved, first adding fixed committees like the Verification Panel, and then becoming a rather closed, two-man system in which President Nixon and Assistant for National Security Affairs Kissinger kept important issues mostly to themselves. The creation and evolution of the Nixon-Kissinger NSC system is discussed at length in the study prepared for the Commission by Chester Crocker. Below, we discuss two later variants—the NSC with Verification Panel and Working Group; and the closed system. The mechanism discussed in this section is the NSC system of the early Nixon Administration. Our cases offer three illustrations of the operation of this system: CBW, Okinawa, and the review of strategic forces in preparation for SALT.

As described by Nixon and Kissinger and displayed in the cases, the key features of this answer to the issue of central decision and coordination were:

- *The National Security Council* became the "principal forum for consideration of policy issues" for Presidential decision. NSC meetings were frequent—averaging over one a week for the first six months—and participation was limited to statutory members (President, Vice President, Secretary of State, Secretary of Defense, and Director of the Office of Emergency Planning) plus special advisors, including the Assistant for National Security Affairs, the Undersecretary of State, the Director of the CIA, and the Chairman of the JCS. The NSC was an "advisory," not a decision-making body. Decisions were reserved for the President alone after "further private deliberations subsequent to NSC consideration of an issue."
- *A system of NSC committees and groups* supported the NSC. A Review Group, chaired by the Assistant to the President for National Security Affairs and including representatives of all NSC members, functioned as traffic cop in scheduling studies for NSC consideration. Studies were prepared either by interdepartmental groups (IG's) organized on a regional basis and chaired by the relevant Assistant Secretary of State or by *ad hoc* Groups. Finally, there was an Undersecretary's Committee (USC) assigned to tend to issues not important enough for NSC consideration and to

[8]This section draws on a paper prepared for the project by Morton H. Halperin on the NSC in the early Nixon Administration.

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monitor implementation of Presidential decisions.

- *NSSM's and NSDM's* became the central instruments for operating the system. National Security Study Memoranda (NSSM's)—from the President or Kissinger—directed an IG (or an *ad hoc* Group) to prepare a policy examination of a specific issue. NSSM guidelines explicitly called for "options" and not "recommendations." This simple device forced agency participants to behave as analysts as well as advocates, spelling out a broad array of options with pro's and con's, and not stating agency recommendations. As President Nixon said, "the new NSC system is designed to make certain that clear policy choices reach the top, so that the various positions can be fully debated in the meeting of the Council. . . . I refuse to be confronted by a bureaucratic consensus that leaves me no way of knowing what alternatives exist." NSSM guidelines also directed studies to consider options for current policy choice within a larger context, and in relation to longer-run American objectives; for example, the Okinawa NSSM focused on the question of U.S.-Japanese relations over the next five years, and within that context on alternative actions regarding Okinawa. At the NSC meeting, agency heads had an opportunity to express departmental and personal recommendations among the options. After what was often frank and heated discussion in the NSC, the President would retreat, decide, and issue a National Security Decision Memorandum (NSDM). In the period between the NSC meeting and the decision, President Nixon would often consult further with the Assistant for National Security Affairs and occasionally with Cabinet officers who felt strongly about the issue. Again, NSDM's attempted to provide not only a clear decision, but also broader guidelines regarding national objectives affected by the decision, and a rationale for the objectives and the decisions. In this way, NSDM's served both to inform all departments about objectives and decisions and also to establish more coherence in American foreign policy.
- *NSC staff*, a large, high-quality team of substantive analysts supported the Assistant for National Security Affairs, staffing the NSSM/NSDM process, participating in the studies, inserting some sense for Presidential priorities, and providing an independent White House judgment on the issues. In addition, the staff followed events and departmental action in various geographical problem areas and served the President's personal staffing needs.

Because this initial NSC system functioned for such a short period and served as the vehicle for systems that succeed it, judgment about its strengths and weaknesses must be even more tentative than usual. But the cases do suggest some illustrative pro's and con's.

ADVANTAGES

(1) Provides a regularized and legitimized process for raising issues for interagency examination and White House review *at very low cost* to the President or Cabinet officers, or lower-level bureaucrats who see an issue and suggest it to the NSC.

(2) Facilitates examination of dimensions of a policy problem that fall outside the principal department's domain, and presentation of the array of considerations to higher levels, again at low cost to the initiators.

(3) Raises to the NSC and Presidential level a broad range of options and a rich set of arguments, encouraging multiple advocacy.

(4) Prevents the bureaucracy from coalescing around a single option before it comes to the President.

(5) Allows Presidential (and Presidential agent) control over the timing and context in which issues arise, making it easy to raise issues before a crisis and convenient to postpone issues that a Cabinet officer or agency is trying to force.

(6) Eases the problem of the President's overriding Cabinet officers, and being seen to override them.

(7) Assures representation of all legitimate interests that have a stake in the issue, including participation in the study process that makes available to the President all information that anyone considers relevant to the issue.

(8) Presents a forum where interested parties can have their day in court, and provides Presidential adjudication among competing claims (while preserving considerable flexibility for Presidential choice).

(9) Involves lower levels of the bureaucracy in an analytic process that often broadens their view of the problem.

(10) Serves to allow "new boys" to take control while the Permanent Government educates them about the issues.

(11) Facilitates longer-run planning and thus helps on early warning and identification of issues requiring more active management.

(12) Encourages broader overviews of problems and efforts to communicate larger American objectives.

(13) Provides the device for communicating decisions widely and clearly.

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DISADVANTAGES

(1) Presents nearly irresistible temptation for the manager of the process to take control.

(2) Tends to bog down in the weight of the formal meetings, especially after an initial period of comprehensive review and major decisions about corrections.

(3) Provides first for study and second for decision, but without much attention to implementation.

(4) Spreads information so widely that leaks are inevitable.

(5) Formality may push serious debate to other settings.

(6) Given the limits of time and energy, is unlikely to deal with important tertiary issues of foreign policy, e.g. Latin America or Africa.

5. *NSC with Verification Panel and Working Group.* The initial NSC group soon added a number of fixed, subject-oriented committees to facilitate a running conversation on a particular cluster of issues and to provide for extensive staff work on these issues. The first of these committees was the Verification Panel (which emerged to deal with issues of verification related to possible strategic arms limitation agreements). Consisting of the Undersecretary of State, Deputy Secretary of Defense, Director of the CIA, and Chairman of the JCS, and chaired by the Assistant for National Security Affairs, this committee permitted hard argument among central individuals involved. The Working Group that staffed the Verification Panel provided the panel with a substantial capability for interagency analysis of the tough technical issues of SALT.

6. *A Closed System: Kissinger's "One-Man Band."* Whatever the normal arrangements for central decision and coordination, Presidents often have chosen to keep one or two major issues to themselves and a closed circle of trusted advisors. The chief characteristic of decision and coordination on these issues is not that the decision is made privately by the President (as it is in many alternative systems), but that the *shape of the issue* is kept secret from the rest of the government (not to mention Congress and the public). Outsiders—including those normally responsible for defining the issue and implementing the decision—cannot even identify the alternative considerations or the grounds on the basis of which choices are made. This "system" appears in the most extreme form in the latter stages of the Kissinger NSC. As the cases on SALT and Trident suggest, at critical junctures Assistant for National Security Affairs Kissinger became in the phrase used by irreverant bureaucrats, a "one-man band": deciding what issues required central management; defining the shape of these issues; specifying alternatives; and presenting choices to the President. (To what extent this personalization of the foreign policy process was imposed by President Nixon's penchant for secrecy and unwillingness to discuss issues openly with any but a narrow circle must remain moot—at least until all the tapes are released). But it is not unfair to note the resemblance between this practice and what Kissinger preached as a professor. The deepest theme in Kissinger's writings on government organization insisted that "the spirit of policy and that of bureaucracy are diametrically opposed." Just months before taking his job with President Nixon, he wrote:

> Because management of the bureaucracy takes so much energy and precisely because changing course is so difficult, many of the *most important decisions are taken by extra-bureaucratic means.* Some of the key decisions are kept to a very small circle while the bureaucracy happily continues working away in ignorance of the fact that decisions are being made. . . . When bureaucracies are so unwieldy and when their internal morale becomes a serious problem, an unpopular decision may be fought by brutal means, such as leaks to the press or to congressional committees. Thus, the only way secrecy can be kept is to *exclude from the making of the decision all those who are theoretically charged with carrying it out.* [emphasis added]

The closed system has undeniable advantages: providing maximum Presidential flexibility; permitting *faits accomplis* that undermine potential opposition; allowing an opportunity for coherent statesmanly conception without the lengthy process of governmental compromise; and affording maximum drama that can be translated into domestic political credit for the leaders involved. But while the benefits of a closed system are obvious and immediate, its costs, though longer-run, are overwhelming. Our cases do not provide a base for systematic evaluation, but they do suggest some categories of costs.

(1) Limited span of control. If all the strings run to one man's hands, the number of strings are inevitably limited. Thus critical issues were neglected, e.g. foreign economics, and important secondary issues omitted altogether, e.g. Latin American relations.

(2) Limited understanding. However brilliant a single individual, he cannot have a deep understanding of the tens or even hundreds of important issues of foreign policy. Thus, he will inevitably favor the issues he understands and mishandle issues he grasps poorly.

(3) Limited use of government expertise. The Permanent Government is a great reservoir of

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expertise about the thousands of details out of which wise choice must be fashioned. But closed off from some understanding of the shape of issues and some regular process, judgments about the real characteristics of an ABM system, or the likely risks in a partial test ban, or the probability of Russian intervention in the Middle East,[9] or the opportunities for settlement in Cyprus will not be understood.

(4) Demoralization of the Permanent Government. This discourages the initiative of GS-16's and Deputy Assistant Secretaries throughout the government needed to bring export controls or signals on troops and offsets in line with larger foreign policy objectives, and which encourages leaks and footdragging.

(5) Inattention to longer-run problems, for example, oil and U.S. policy toward the Middle East before it became a crisis, proliferation, wheat and détente, and the strengthening of alliance habits of cooperation that would have built greater capability for concerted action.

(6) Crisis orientation. Because only a few major issues can be dealt with at one time, central attention is exhausted by the major crisis of the period, and other important issues languish until they assume crisis proportions.

(7) Policy bias toward relations with other leaders who require limited involvement of their bureaucracies and domestic polities, e.g. Brezhnev or Chou En-lai, and are therefore capable of secret discussions and bold, dramatic announcements. Consequently, less patience for alliance relations, which by definition require actions by hundreds of informed individuals on both sides.

(8) Poor implementation. Implementors are rarely involved in the process of decision and thus feel little commitment to the decision; they do not understand the purposes behind the decision, and have difficulty interpreting it faithfully.

(9) Creates suspicion within the executive and in Congress and the country that leads to distrust of statements, decisions, and actions. Trust is as large a factor as understanding in most Americans' acceptance of complex governmental decision. Closed systems consume rather than build trust.

(10) Inattention to consensus building on the main purposes of foreign policy and mobilization of the governmental and public support necessary to sustain policies over the longer run.

[9]For a sharp, candid discussion of this point see former Director of INR, Ray Cline, "Policy without Intelligence," *Foreign Policy*, Winter, 1974–5.

C. Recommendations

The choice of coordinating mechanisms matters. Much depends on the styles and preferences of the President and the people he chooses as his senior advisors. But not everything. Different structures carry different benefits and imply different risks. Moreover, some mechanisms come near to dominating others for some functions, *whatever the President's preferences.*

Specifically:

1. The *"closed system"* should not be used often, or for many issues. Nor should it, when used, be as closed as was the Nixon-Kissinger system on occasion.

2. *Formal structures,* like the 1969 NSC system, are particularly useful in taking stock of a variety of issues at the beginning of an administration and in handling second-order issues throughout the administration. Presidents would be well-advised to sustain a formal system for those purposes, even if they do not at first find formal mechanisms congenial. There would be ample compensation for initial inconvenience.

3. A *fixed committee,* at the sub-Cabinet level, should be established to provide early warning of issues which require coordinated management, whatever other structures are erected to handle issues so identified.

4. *Informal ad hoc task forces* should be kept in mind as an option, whatever other systems are operating at the time, and used selectively as appropriate.

D. Changes Proposed For Commission Consideration

A menu of specific changes is formulated in each Summary Part, and some of the more interesting possibilities are presented in Chapter 4. In concluding this chapter, we simply note some of the kinds of changes the Commission should explore for revising the balance of perspectives and interests vested and weighted in the structure of the Permanent Government, procedures for managing the departments, and mechanisms for central coordination and decision.

- Creation of a strong representative of broader security and foreign policy perspectives in the realm of Defense and Arms Control: in identifying problems, providing information, devising alternatives, making routine decisions, and taking actions. Preferably this representative would be created within the Department of State, for example, by making the Undersecretary for Political Affairs an Undersecretary for International Security Affairs, giving him a

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staff of 100 professionals, including the current Politico-Military bureau but expanded to add an equivalent number of non-FSO's, and involving the Undersecretary and staff in the regular processes of decision and action on Defense and Arms Control issues. This would be easier if a Secretary and Deputy Secretary of State were committed to taking charge of the Department. If it is not feasible to create this representative in State, it could be created as a separate unit, perhaps part of a greatly enlarged NSC staff.

- Creation of an OMB capability for reviewing the Defense budget in the same way that it reviews other departments' budgets and establishment of procedures to facilitate OMB's playing this role. This will involve eliminating the current joint OSD/OMB review, substantial expansion of OMB's National Security Programs Division staff, development of greater capacity for analysis of DOD programs, and transfer of authority for presenting the Defense budget from the Secretary of Defense to the Director of OMB.
- Creation of a strong NSC subcommittee (chaired by an active Assistant or Deputy Assistant to the President for National Security Affairs) as the principal mechanism for defining and debating—for Presidential decision—the major choices about Defense budgets, programs, and major weapons systems.
- Joint Secretary of State/Secretary of Defense preparation, presentation, and defense of a Foreign and Defense Policy statement to supersede the Force Posture Statement currently presented by the Secretary of Defense alone. The new statement would be presented to joint hearings of Armed Services and Foreign Relations Committees. (And, again, creation of State competence to play this role, as above.)
- Reestablishment within the Executive Office of the President of a capability for independent scientific and technical judgments, perhaps a Council for Science and Technology.
- Restructuring the weapons acquisition process to require multiple, specific operational requirements; competing prototypes; a sharp break between advanced development and procurement; and independent operational testing and evaluation.
- Creation within DOD of a capability, staff, and office for "implementation analysis" (i.e. systematic analysis of the institutional obstacles in implementing chosen programs and incorporation of these factors in comparisons of options at the point of choice) either as part of a strengthened and expanded PA & E or as a separate office in OSD (see Chapter 3).
- Creation, over time, of a strong Foreign Service capability for "foreign assessment" (i.e. making predictions about foreign governments' actions and designing U.S. initiatives for desired impact) in addition to routine political reporting (see Chapter 3).
- Creation of a Military Operations Analysis Office in the Office of the Secretary of Defense, an equivalent of PA & E but focused on military operations. Office to have dual capability of systems analysis and also of implementation analysis.
- Abolition of DIA on the grounds that it simply duplicates activities performed by each of the services' intelligence branches and CIA.
- Transfer of responsibility to serve as military staff in the chain of operational command and all other responsibilities related to military operations and the unified commands from the Joint Chiefs of Staff to a single senior military officer and creation of a separate staff for military operations responsible to him.
- Abolition of the Operating Committee for the Commodity Control List and Working Group 1 for COCOM with their single criterion process for restricting exports. Creation of an alternative NSC or State-based mechanism with new guidelines that include economic benefits and foreign policy gains as well as "military capability enhancement" and with a director charged with managing exports to U.S. advantage, including, in particular, using exports as bargaining chips with the Soviet Union.
- Reconstructing the National Security Council membership to include the Secretary of the Treasury and the President's chief scientific and economic advisors. Redefining the normal assignments of Presidential assistants to mirror the breakdown of the sharp distinction between "foreign policy" and "domestic" issues.

Five Sub-Tasks, Inadequacies, And Recommendations

While all inadequacies could be grouped under our three major headings, inadequacies in performance of five subordinate tasks seem sufficiently important to merit separate attention. Thus this section addresses five sub-tasks, identifying inadequacies and suggesting tentative recommendations. The five are: implementation, articulating foreign policy goals and guidelines, attending to the longer run, assessing foreign governments, and making *ad hoc* adjustments for personalities and operating styles.

I. THE TASK: IMPLEMENTATION

A. The Shape Of The Problem

- *Nuclear Options.* In 1970, President Nixon's foreign policy report to Congress asked rhetorically: "Should a President in the event of a nuclear attack, be left with the single option of ordering the massive destruction of enemy civilians in the face of certainty that it would then be followed by a mass slaughter of Americans?" Evidently, the U.S. Government did not jump to answer the question because it reappeared in three successive foreign policy reports. Finally, in January of 1974 Secretary of Defense Schlesinger announced that the U.S. was changing its nuclear planning to provide for a greater range of options, including ones that would be a good deal less "massive" than those that had been available in the past. But this was fourteen years after abandonment of Eisenhower's strategy of "massive retaliation," adoption by President Kennedy of a policy of wide-ranging military choices, and advocacy by Secretary of Defense McNamara of flexible nuclear options; and four years after President Nixon first started putting his question. Explaining why something did not happen is hard. The case on nuclear options explores some of the causes of the slip between cup and lip on this issue: how in 1974, despite repeated calls by Presidents and Secretaries of Defense for flexible nuclear options, U.S. nuclear plans contained nothing smaller than a massive nuclear attack. The reasons are several. First, the path from the President or the Secretary of Defense's expression of a preference about strategic doctrine to an actual change in the SIOP (Single Integrated Operating Plan, the plan for the use of American nuclear weapons) involves a large number of actions by semi-independent units, whose preferences about doctrine and options have differed substantially from those of Presidents and Secretaries of Defense. Second, what Secretary Schlesinger has called the "mental approach" of nuclear planners has reflected the experience of mass bombing in World War II and thus a discomfort with small options and suspicion of limiting collateral damage. Third, American nuclear planning was centralized in 1960 under the domination of SAC, an organization created by General LeMay and dedicated to preparing for peace by maintaining an alert capability to destroy the Soviet Union by nuclear bombs *delivered from manned aircraft.* U.S. bombers' vulnerability to Soviet air defenses meant that American nuclear attacks target Soviet bomber defenses in order to assure that American bombers will reach the central targets and deliver their bombs. A small, limited attack could not be carried out by bombers. Fourth, planners seem to have been reluctant to serve up limited options on the grounds that they will be at best dangerous and unreliable, but that politicians might not recognize their limits. A commander's nightmare would be for the U.S. to get involved in a nuclear exchange keeping the commanders

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from carrying out what they regard as necessary military operations with the outcome being a total disaster. Fifth, Presidents and Secretaries of Defense have involved themselves in this issue sporadically, primarily making policy statements or espousing doctrine, but not joining in the extended, continuous process of implementation. Hence the implementor's ability to discover difficulties in providing options, many which are real, has exceeded Presidents' and Secretary of Defenses' span of attention to the problems, and the options have not emerged.

- *Vietnam.* The least-told story of Vietnam concerns implementation: (1) the extent to which the actual conduct of the war on the ground and in the air flowed from organizational standard operating procedures (SOP's) and goals and incentives, rather than from central leaders' choices; and (2) the extent to which Presidents and their advisors made choices among options on the basis of estimates about costs and benefits that failed to include the impact of the institutional and political factors in implementing the options. President Johnson chose to send large numbers of American ground forces to South Vietnam to preserve a non-Communist government in Saigon. But the strategy of attrition by large-unit search and destroy missions that was executed by American troops in the South was determined primarily by Army plans and procedures, Army goals and incentives, and the decisions of U.S. military commanders in South Vietnam. The consequences for the President's objectives of this choice of strategy could not have been greater. The Army strategy, which General Westmoreland later acknowledged was a "strategy of attrition," inevitably meant the loss of large numbers of American lives, which in turn generated political heat for the President. But the strategy was chosen without the President ever facing a good map of alternative strategies with the political implications that would derive from the implementation of each. In February, 1965, President Johnson authorized ROLLING THUNDER, a large-scale American bombing campaign against North Vietnam. He and Secretary McNamara personally selected and controlled the list of targets attacked by American planes. Within a year and a half, however, ninety-five percent of the targets requested by the Chiefs had been authorized. (Before the end of the campaign, all the targets would be attacked.) As evidence mounted that the bombing campaign was not succeeding in achieving its primary objectives, new objectives were discovered, and the level of activity expanded. Again, the President's February, 1965 choice was made on the basis of analysis that failed to mention the implications of this bombing choice on pressures for expanded bombing, or even more important, on pressures for the introduction of American troops. American chemical warfare in Vietnam contains the whole story, writ small. As McGeorge Bundy has testified, "there is . . . one specific lesson from the past that seems to me worth holding in mind. Both in the case of herbicides and in that of tear gas, the initial authorizations for military use in the early 1960's were narrowly framed, at least as understood by civilians in Washington. The first authorized use of herbicides, as I recall it, was for defoliation along narrow jungle trails. I remember no talk of crop destruction at the beginning. The initial use of tear gas was for situations involving the need to protect civilian lives, in conditions closely analogous to those of a civil riot threat at home, and indeed in his first public statement on this subject, Secretary Rusk made it clear that it was the policy of the Administration to authorize the use of such agents only in such riot control situations. But as time passed, increasingly war-like uses were found for both kinds of agents . . . Thus under the pressure of availability and battlefield urgency, the initial authorizations from Washington had been steadily widened. This is not a matter of bad faith or deception. Nor is it primarily a failure of command and control although tighter and more explicit guidelines could have been useful in limiting the use of these agents. What happened here is what tends to happen quite remorselessly in war: unless there are sharp and clear defining lines against the use of a given weapon, it tends to be used." Once again, the decision about the initial use of chemicals in Vietnam, as it came to the President contained no mention whatever of these relentless pressures. Among the failures of the President and his chief assistant, one of the most important was their failure to reach out for sensitive analyses of implementation. Had they done so, such analyses would have posted sharp warnings about the wisdom of their choices.
- *F-111.* As we saw in the outline of the case above, Secretary McNamara chose the F-111 as the tactical fighter for both the Air Force and the Navy (rather than permitting them to develop separate aircraft as they had planned) on the basis of analysis that showed that the benefit-cost ratio of the F-111 exceeded that of the two separate planes. What that analysis of

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costs and benefits neglected, however, was the impact of institutional implementation on the actual performance characteristics and costs of the plane that emerged. If someone had examined institutional factors affecting the airplane's development, the fact that McNamara was authorizing a plane designed primarily for the nuclear interdiction mission, rather than for the limited war mission he desired, would have popped out. If the analysis of costs and benefits of alternative aircraft had adjusted estimated costs and benefits in the light of implementation obstacles, McNamara could not sensibly have selected the F-111.

These fragments from the cases help define the problem of implementation.

1. Implementation is at least half the problem in most important government decisions and actions.

2. Presidents and administrations dominate important decisions. Bureaucracies dominate implementation. After a problem has been identified, given the information available about the alternative specified, predominant influence over choice among alternatives rests with the President and his associates. After a decision has been made, the predominant influence over the character of the action taken shifts to the implementor, in most instances, units of the Permanent Government.

3. If one sketches a spectrum from broad policy, through decisions among programs, to specific actions and outcomes, the incentives faced by Presidents and high officials encourage them to concentrate on the high end, rather than the low end of the range. Formulating policy goals and communicating them to the public, Congress, and the bureaucracy, is one of the chief responsibilities of Presidents and Secretaries. It is also a function over which they have near unilateral control. Moreover, making policy and announcing programs meets the time horizon of high officials: problems arise and are perceived by relevant publics in the present; policies and decisions to solve problems can be announced in the same time frame. Implementation of the decision and programs, and the consequences of implementation, emerge in a distant future, often after the individuals have departed.

4. People in operating organizations have perceptions, objectives, and constraints that differ from those of higher officials. Moreover, the latter often know little about the operating environment, the perceptions, and the goals and problems of the operators. Because policy directives are broad and often conflicting, they must be interpreted by middle-level officials. Within the limits of the policies as perceived by middle-level officials, choices will necessarily be made that correspond to *their* perceptions, interests, and problems.

5. Organizations implement decisions according to existing (and often inappropriate) SOP's that reflect organizational needs and interests, and incentives faced by organizational members. American strategy in South Vietnam and the bombing of North Vietnam played out contingency plans, existing doctrines, and desires of the Army and Air Force to test tactics, protect missions, and obtain performance data to enhance claims for larger budget shares.

6. Policy and program decisions, both by the Executive and by Congress, become constraints to which organizations adapt in pursuing their own interests.

7. High officials' attention to, and understanding of, institutional factors that affect implementation has been poor.

8. An important issue, therefore, is how to narrow the gap between decision and implementation. The record suggests that this involves two related questions: (1) How to improve Presidents' and administrations' ability to have their chosen policies and decisions faithfully implemented by the bureaucracy, and (2) how to improve the choices of Presidents and administrations by increasing their understanding of implementation obstacles.

B. Inadequacies And Recommendations

A variety of structural and procedural changes could improve performance in both areas. The preferred form of each, and the mix, will differ according to the tastes and styles of administrations.

1. Analysis of major choices by Presidents and administration officials should regularly include explicit attention to implementation obstacles. Where analysis takes the form of cost-benefit analysis or a staff paper laying out alternatives and estimating costs and benefits, the analysis should explicitly include an "implementation estimate," that is, an enumeration of implementation obstacles, a forecast of the capabilities, interests, and incentives of organizations to implement each alternative, and an estimate of costs and benefits adjusted in the light of these factors.

2. A capability for "implementation analysis" should be built into the analysis staff of each Secretary, of the President, and perhaps of the Congressional Budget office. This would involve developing the art of implementation analysis (both inside and outside government), recruiting individuals equipped with this skill and specifying guidelines for current analysis. Over the longer run it would also involve training (or re-training) analysts.

3. Important presidential decisions (both those stated as NSDM's or equivalents, as well as others)

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—all hopefully made in the light of implementation analysis as above—should include explicit instructions about implementation. Where possible, decisions should be translated in detail: specifying which organizations should perform what action according to what SOP's; pointing to particular actions consistent with the spirit of the decision, and other actions that are inconsistent with its intent; noting where effective implementation will require a change in SOP's or perhaps even in the interests of an organizational unit; creating procedures for feedback about particular decisions so as to facilitate monitoring; creating incentives for the necessary changes in behavior; etc. If possible, an implementor should be designated, either an individual (preferably one who agrees strongly with a decision) or a small task force, and their mandate specified in detail. These individuals should not simply be charged with "riding herd on the bureaucrats" to secure rigid adherence. Instead, they should monitor the implementing organizations, making adaptations as problems with policies originally formulated become evident, and resubmitting issues for central decision when necessary. In addition, a regularized process should be established for monitoring the designated implementors. This could be done by an Undersecretary's committee or equivalent (if the original decision sets deadlines, milestones, and the like).

Perhaps the Management division of OMB should develop a government-wide capability for analyzing the operation of all units of the Permanent Government, monitoring these organizations' objectives and SOP's, identifying conflicts between Presidential decisions and programs and organizational objectives and routines, and advising high officials about implementation problems. The GAO's role in monitoring cost growth and major acquisition (an inherently much simpler task) suggests one model.

II. THE TASK: ARTICULATING FOREIGN POLICY GOALS AND GUIDELINES

A. The Shape Of The Problem

- *Elliot Richardson's testimony* to the Commission defines this problem with reference to U.S. interests in the Far East. "The problem, basically, is that if you take, for example, the Far Pacific, it seems to me at least highly important that the United States and Japan be able to contribute to the maintenance of a triangular stand-off as between U.S.-Japan, U.S.S.R. and the People's Republic of China. Now, assuming that premise for the moment, the question then is what does that mean in terms of U.S. base rights, ground forces, if any, other installations, naval capability, carrier task forces, and so on? That kind of problem, it's fair to say, is so hard that it doesn't get adequately addressed. My assumption was that, hard though it may be, there is no hope of achieving the long-term consensus unless we learn how to translate the clear definition of U.S. global responsibilities into specific actions that the U.S. takes. . . . The point is simply that if we are to achieve consensus, it is only through the attempt within the Executive branch to get them thought through as clearly as possible, both so that we can better plan within the Executive branch itself, but also so that the dialogue is capable of involvement by an intelligibility on the part of people generally. . . . There was a broad sense of consensus [among Americans about the aims of our foreign policy]. That sense of consensus was badly shattered by the experience of the Vietnam War, especially. There is a need to rebuild it. I had hoped that my contribution as Secretary of Defense—I certainly believe at least that my opportunity as Secretary of Defense—was to help rebuild it. I thought the way to do this was to create a process in the Department of Defense, in the first instance, that began with the effort to translate clearly-defined U.S. global responsibilities and objectives into force levels, missions, weapons systems, and so on. This would have been an attempt to make the planning process really produce the results that eventually emerged in the form of military manpower, hardware and so on. It seemed to me that the importance of this was not simply for the sake of better planning, but for the sake of public understanding and support—for the sake, in other words, of the communicability to the American people of what it was about. Because it seemed to me that only if we could achieve that level of communicability could we hope to rebuild a consensus capable of sustaining and willing to sustain the very large national investments required by this military establishment. Well, it seems to me that what I had hoped to do in Defense is essentially what needs to be done more broadly. And so I would urge that this Commission approach its task in terms not simply of the question how operationally can foreign policy be better conducted, but how can the policy-making processes be optimally adapted to the re-creation, the rebuilding of a national consensus. How, in other words, is it going to be possible to

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create the mechanisms that will clearly enough define what we are seeking to do and why, so there can be broad public participation in the translation of those broad objectives into concrete policy."

- *Strategic Forces in the 1960's and Assured Destruction.* Within his first weeks as Secretary of Defense, Robert McNamara identified the issue of American strategic nuclear forces as his central problem. After several years in office, and several iterations of strategic doctrine—including "counterforce," "city avoidance," and "damage limiting"—he formulated a strategic objective that suited his multiple requirements. First, the objective had to be intellectually respectable, capable of being defended in argument at various levels of sophistication as the right strategic objective for the U.S., and the best objective to support broader American foreign policy interests. Second, the object had to have compelling simplicity, that is, be understandable by the wide American public as an appropriate expression of their conception of American strategic needs. Third, the objective had to be consistent with the grain of history, appropriate not only for the moment, but for the future, given the best projections about the evolution of the problem. Fourth, the objective had to be bureaucratically viable, that is, structure the argument in bargaining among participants about the size and shape of U.S. strategic forces so as to produce a sensible force posture that supported larger foreign policy interests. Finally, the objective had to be translatable into quantitative criteria that would provide yardsticks of sufficiency, identifying when we had enough forces to meet the stated objectives.

From McNamara's perspective, "assured destruction" met all five requirements. As the label suggests, U.S. strategic forces should guarantee deterrence of attack on the U.S. by assuring destruction of the attacker under all foreseeable circumstances. U.S. forces should be capable of absorbing a surprise attack and responding in a way that destroyed the attacker as a viable modern society. In McNamara's summary, "One can add many refinements to this basic concept, but the fundamental principle involved is simply this: it is the clear and present ability to destroy the attacker as a viable 20th Century nation and an unwavering will to use these forces in retaliation to a nuclear attack upon ourselves or our allies that provides the deterrent." McNamara's formulation of this doctrine rested on a number of subtle judgments. First, the primary fact was the horror of nuclear war, *any* nuclear war. This fact was insufficiently understood by the military services, by most Americans, and by potential enemies. In contrast to people who thought the primary American objective should be to prepare to fight nuclear wars (as indeed McNamara had believed in 1962), he concluded that the overriding objective was to prevent nuclear war by making it unthinkable. Second, in 1961, virtually all Americans insisted that the U.S. maintain "superiority" over the Soviet Union. McNamara concluded, however, that the U.S. could not prevent the Soviet Union from acquiring forces capable of killing tens of millions of Americans, and that superiority in numbers of nuclear weapons over an enemy that would kill tens of millions of Americans had little meaning. Thus he wanted a strategic objective that would, over time, lead to erosion of a meaningless search for always having "more" than the opponent. Third, in McNamara's view, a general demand for superiority in numbers, despite their uselessness, would fuel an arms race between the United States and the Soviet Union, wasting resources of both nations, and more important, creating fears that would increase rather than reduce the chances of conflicts in which nuclear war might erupt. So he wanted a strategic doctrine that, while providing for the U.S. sufficient strategic forces to meet its purposes, would also point to and emphasize negotiations with the Soviet Union on arms control measures that would reduce risks of war for both nations and improve political relations. Fourth, within the Pentagon, McNamara needed a quantitative criterion for sizing U.S. forces that would afford strong grounds for resisting open-ended service demands for larger and larger numbers of forces. The assured destruction criterion assured that even on the most pessimistic assumptions, U.S. programmed forces would be more than sufficient.

McNamara presented his chosen strategic doctrine widely: in internal Department of Defense memoranda, in the Defense budgeting and force planning processes; in his annual force posture statements to Congress, and in assorted public speeches. In each of these circles, he defended his choice of strategic doctrine and attempted to persuade others of its merits. With his staff in Systems Analysis, he translated this objective into specific guidelines and repeatedly inserted these guidelines in the process for planning and choosing strategic forces. By the end of the 1960's, the overwhelming U.S. nuclear superiority of the early 1960's had given way to rough parity

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with the Soviet Union. The widespread American commitment to superiority in numbers was eroded. Moreover, the U.S. and Soviet Union were engaged in negotiations about strategic arms to guarantee stability and improve relations. The merits of McNamara's chosen doctrine, and the judgments on the basis of which he chose it, are open to question (indeed, they have been questioned sharply by the current Secretary of Defense). Objections can be raised about the methods by which he advanced this doctrine. Still, the articulation of deterrence through assured destruction as the goal of American strategic nuclear forces, and the translation of this goal into guidelines for sizing American nuclear forces stand as an important illustration of this function.

- *SALT.* As outlined above, the Nixon Administration's procedures for preparing the SALT I negotiating package produced good analyses of the central issues and presented important choices to the President. But the process of negotiations that produced the SALT I treaty relied on what came to be called the "back channel" (secret discussions between President Nixon and Secretary Brezhnev through Kissinger and Ambassador Dobrynin) and hurried, last-minute adjustments in Moscow, while the two heads of state awaited something they could sign at the summit. Extraordinary secrecy surrounded a treaty that accepted American inferiority in numbers of strategic offensive launchers covered by the treaty, combined with rumors about unwritten side agreements, encouraging suspicion of the agreement. The Administration's exaggerated, self-congratulatory rhetoric about the agreement produced some short-term political benefit. But nowhere did the Administration articulate publicly a larger conception of American objectives in strategic arms negotiations and agreements, and spell out clearly how the particular agreements served these objectives. The agreements relating to strategic arms reached in Moscow in June, 1974, again negotiated without discussion within the Executive, between it and Congress, or with the public, and coming as they did in the final stage of President Nixon's removal from office, reinforced fears that the major objective of SALT was personal advantage for President Nixon at home. The threshold test-ban treaty, which included a gaping escape clause for explosions labeled "peaceful," was strikingly inconsistent with American interests in slowing the spread of nuclear weapons. As a consequence, Senate ratification seems unlikely. While Secretary of State Kissinger called for a national debate about strategic objectives, the Administration's lack of interest in discussing these issues, even within the government, led to growing uncertainty about American objectives and suspicion about whether these agreements served American interest. It is these uncertainties and suspicions that account for the sharp criticism of the Vladivostok Agreement —criticism about which Secretary Kissinger expressed such "profound surprise." The critics' general suspicion and uncertainty reflect earlier Administration failures to articulate American goals in strategic arms limitations and to make persuasive to a broader public the objectives and process by which these goals are being achieved.
- *Troops and Offsets, 1969.* In 1969, after a careful NSSM study of the issue, President Nixon decided that U.S. interests required the maintenance of current troop levels in Europe. Getting the Germans to cover the troops' foreign exchange costs was helpful. But the security provided both the U.S. and Europe by the American troops was critical. Thus Nixon issued a NSDM decoupling the specific number of U.S. troops in Europe from the particular level of German offset, and instructing those negotiating the next offset agreement to be generous about terms. While the NSDM asserted the importance of American troops in Germany for American security, it did little to explain the grounds for the decision to those in Defense, Treasury, and State who had been dealing with the issue previously. Nor was an effort made to persuade them of the need for a change in negotiating style. Hence, without more specific guidelines and persuasion and monitoring, the change in policy had little effect. As the case shows, U.S. negotiations with the FRG were as hard and long and demanding as previously. Moreover, the Administration made almost no effort to take its argument to Congress or the public. Twenty-five years after World War II, given European economic recovery, the maintenance of 300,000 American troops in Europe appeared to many Americans an expensive anomaly. Many Americans, including a number of Senators, favored unilateral reductions of the American garrison. But rather than address these concerns, or take action that could command support for a longer-term commitment to its basic objectives, the Administration simply tried to hold the line—quietly. A Senate effort to impose a unilateral cut in American forces was resisted successfully, largely by recruiting public figures from previous administrations to carry the burden. But again, no effort was made to articulate persuasively a coherent set of American objectives and to argue why cur-

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rent levels of American forces met these objectives. Finally, economic objections to American troops in Europe were undercut not by an Administration initiative, but rather by Senator Nunn's amendment, linking by law the level of U.S. troops to the level of offset, and thus forcing the Germans to neutralize the balance-of-payments costs of American troops. But once more, the Administration chose not to set this action in a context of larger American objectives that might encourage the development of a stronger consensus within the U.S.

These fragments begin to suggest the shape of a difficult and elusive problem.

1. Effective procedures for central decision and coordination of specific issues on the basis of a reasoned conception of American objectives will not guarantee an effective American foreign policy.

2. Today, the goals and guidelines that shaped American foreign policy in the post-war period have broken down. In 1958, or 1960, or even 1965, most participants in American foreign policymaking, and most members of the attentive public, knew what American foreign policy was for and about. A Communist takeover in Cuba or the Dominican Republic plainly appeared a serious threat. Armed aggression by one nation against another patently undermined the fabric of peace. Proliferation of nuclear weapons was a sure road to disaster. These intuitions and judgments flowed naturally from a prevailing set of basic assumptions and simplifications about what was happening in international politics, what constituted threats to the United States, how security was to be defined, and what were the currencies of power. In the last several years, these axioms of the post-war era have given way to the widespread uncertainty about the nature of international politics, the character of challenges that foreign policy-makers confront, and the desirable level of U.S. involvement in the world. Today, there is widespread confusion and disagreement among Americans within the U.S. Government and in the foreign policy establishment about the basic objectives of American foreign policy, for example, why the U.S. should maintain troops in Europe, what are American objectives in the Far East, and what are appropriate goals of the United States in SALT. Henry Kissinger recognized this point clearly in 1968, just before he became President Nixon's Assistant for National Security Affairs. His contribution to the Brookings Institution volume, *Agenda for the Nation,* argues that the basic post-war concepts have collapsed. Kissinger concludes:

> Wherever we turn, then, the central task of American foreign policy is to analyze anew the current international environment and to develop some concepts which will enable us to contribute to the emergence of a stable order. . . . It is necessary to undertake an enquiry, from which we have historically shied away, into the essence of our national interest and into the premise of our foreign policy.

Specifically, Kissinger called for a comprehensive, bipartisan, high-level reevaluation aimed at the following problems: (1) "the definition of the national interest and national security in the next decades"; (2) "the nature of military power in that period"; (3) "the relationship of military power to political influence." The need remains.

3. While some specific foreign policy actions depend on "ambiguity," and while the tactics of some issues require "open options," any large foreign policy goals that can only be held in the heads of a half-dozen key participants seem ill-fated, unlikely to be achieved, especially where they require concerted action over a number of years.

4. A central cluster of problems, especially important in the current context, therefore, involves:

- conception of American foreign policy objectives,
- articulation of a viable vision that engages the ideals and commands the support of the American people,
- translation of clearly formulated U.S. objectives into specific U.S. commitments and actions,
- discussion and debate within the government and without about the appropriateness of these objectives, in the hope of establishing a new consensus,
- specification of goals and guidelines that direct the daily business of the Permanent Government.

Each of these problems should command the attention of both the Administration and Congress.

B. Inadequacies and Recommendations

The chief inadequacy is sheer inattention to the problem, which stems in part from failure to recognize its importance and in part from its difficulty. In writings and statements before 1969, and at the outset of the new administration, President Nixon and Assistant Kissinger suggested that they saw the problem and intended to address it. The NSSM-NSDM process included an initial commitment to placing specific issues in a larger context of American interests and objectives, and of relating particular policy decisions to larger American purposes. The President's annual Foreign Policy Report to Congress also began as an effort to articulate the Administration's vision of a new American foreign

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policy. Unfortunately, the utility of both mechanisms for articulating goals and guidelines quickly atrophied, in large part as a result of both Nixon's and Kissinger's overriding concern for secrecy, penchant for puffery, and intolerance for argument and debate. But both mechanisms could be useful. Each is suggestive of the kinds of procedures needed. Other procedures employed in the past for stating American policy objectives within the U.S. Government include BNSP of the Eisenhower era, the NPP's of the Johnson period and Nixon's NSDM's. Experience with these procedures suggests the drawbacks of formal statements of goals: goals tend to be formulated at levels of generality that provide little guidance; goals are formulated by planners without authority to impose guidance and so have little effect on operations. In spite of these difficulties, goals and guidelines can provide the Presidential guidance for the day-to-day business transacted by the Permament Government, which constitutes the majority of the foreign policy actions of the U.S. Government.

The major mechanisms for articulating foreign policy objectives to Congress and the public include posture statements, testimony before Congress, and speeches by the President and his key advisors. If the rhetoric could be toned down, an annual Foreign Policy Report to Congress, like the report issued in the first four years of the Nixon Administration, could be useful. Perhaps even more useful would be a joint Foreign and Defense Policy statement, written and defended by both the Secretary of State and the Secretary of Defense, and presented jointly to the Foreign Affairs and Armed Services Committees of both houses. Such a statement could not only state clearly American foreign policy objectives, but translate the objectives into specific commitments, bases, forces, and the like, as Richardson recommended. In defending the statement before the relevant Congressional committees, the Administration and Congress could join in the much-needed debate about hard issues from which one would hope a new consensus and new confidence would emerge.

III. THE TASK: ATTENDING TO THE LONGER RUN

A. The Shape Of The Problem

It is a commonplace, but no less true for being often stated, that the U.S. Government mostly *reacts* to problems, frequently after the problems have hit the front page of the newspapers. Clichés capture pieces of the problem: deadlines drive action; the immediate displaces the important, the discount rate of time for government officials is very high. Each cliché points to aspects of the human condition, characteristics of action in other spheres as well as in government. But the issue is one of more or less. In contrast to the counsel to the complacent rape victim, this study recommends a continuous effort to fight the problem. With no illusions about ultimate success, the U.S. Government should be structured to create more countervailing pressures in favor of a longer-run perspective on problems faced and actions taken.

This problem is present in every case, but several salient features can be illustrated by vignettes.

- *Trident.* In February, 1972, the Nixon Administration announced the decision to accelerate the Trident ballistic missile submarine, pushing a development program to rapid deployment, aiming for the first operational Trident submarine by 1978. As a successor to the Polaris-Poseidon nuclear submarine force, Trident will be the mainstay of American strategic nuclear forces in the 1990's. As the recent Committee for Economic Development study, *Congressional Decision Making for National Security,* notes, "A young ensign who served on one of the first Polaris submarines on station could have a grandson serving in the Trident fleet."

  To decide in 1972 about a weapon that will become operational in the late 1970's and early 1980's and be the central strand in our nuclear forces of the 1990's requires attention to the longer run. Should our submarine missile force of the 1990's embody a technology of the late 1960's in order to give us something better than Polaris in the 1980's? Or should we continue to rely on Polaris into the 1980's in order to take advantage of technologies of the late 1970's for the fleet of the 1990's? Should the U.S. make a commitment to a submarine now projected to cost about $1.5 billion per ship, given projections about defense budgets and costs of other systems? In an era of arms control negotiations, given the U.S. objective of agreement on equal numbers of launchers, should the U.S. pick a submarine so large that it carries twenty-four missiles per submarine—rather than sixteen for Polaris—thus, in effect, putting more of our limited number of eggs in each basket? Finally, will Trident meet American foreign policy objectives in the 1990's, by which time U.S. relations with the Soviet Union, the People's Republic of China, and our current allies may have changed in important respects?

  Given the pace of change in technology, costs, and international politics, none of these questions can be answered with any certainty. But there can be no denying that the merits of

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the Trident decision depend critically on these future consequences. Thus as the CED study concludes: "It is only a delusion to think that today's decisions can best be made without even a guess at what the world will be like when the weapons programs initiated today will become the weapons the nation relies on in 1990. Not knowing *how* the world will change is no excuse for pretending that there will *be* no change, nor is it an excuse for failing to consider how today's decisions may alter the world of that second decade."

- *Okinawa.* As discussed above, the Okinawa case illustrates first the military considerations vested and weighted in post-war American foreign policy. But at least, the U.S. did manage to give Okinawa back to Japan before the issue reached crisis proportions. The deadline provided by the need to renew the U.S.-Japanese security treaty in 1970 encouraged President Nixon to make the right decision in 1969. But this decision was relatively easy, since all major participants in the U.S. Government had come to agree. The process by which the JCS moved from their 1966 position that Okinawa was "vital to U.S. national security, period," to acquiescence in Okinawa reversion, illustrates the possibility of attending to longer-run political problems. The critical ingredients were six. First, a number of far-sighted individuals perceived the problem and applied themselves over a number of years to moving the U.S. Government to act. From Ambassador Reischauer's early warnings that U.S. exclusive control of Okinawa was an anomalous irritant that would become a major issue in Japanese politics, to the campaign of Richard Sneider in the mid-1960's, to the assists by Halperin and U. Alexis Johnson and two American High Commanders of Okinawa, a number of individuals thought ahead, recognized the growing importance of Japan and the U.S.-Japan relationship, and persisted in their efforts to take action. Second, these individuals were able to rely on a reasonably well-developed understanding of the problem—an understanding built on years of university-based research, and on careful analysis by Rand (a government-sponsored think tank). Third, these key individuals were in positions that included operational as well as planning responsibility. Fourth, awareness of the longer-run consequences of U.S. refusal to return Okinawa to Japan—the fact that this might jeopardize all U.S. base rights in Japan—spread through the government, and especially, percolated up the JCS, through a series of interagency studies. The IRG study of the problem in the mid-60's provided a mechanism for forcing the JCS to rethink the military importance of Okinawa and to see the diplomatic considerations that had to be included in a balanced judgment. Fifth, the interagency study process included individuals sufficiently familiar with the details of JCS concerns and JCS study habits to use the process to force a real re-examination of the JCS position, not just a restatement of their previous view. While the first three study requests elicited only rehashes of the established position, eventually a study was developed that produced the desired results. Sixth, the higher levels of the government supported the effort to rethink the issue with special attention to longer-run consequences. Without the personal support of Secretary McNamara, the JCS could not have been forced to confront the issue.
- *Omissions.* Failures to think ahead are legion:
  - —U.S. dependence on Arab oil: in 1969, two percent of U.S. oil consumption came from Arab producers; by the time of the Yom Kippur War of 1973 U.S. imports from Arab producers had increased to thirteen percent; from 1969–1973 American oil companies expanded their foreign production of oil by more than twice the increase in U.S. oil imports from Arab producers.
  - —The decision in the late 1960's to sell off stockpiles of critical materials, and the continuation of such sales to this date, in spite of the possibility that countries with large capital reserves might corner key commodity markets and raise prices.
  - —Research and development on alternative energy sources: in 1972, the U.S. budget process eliminated the proposal for even $10 million of research on coal gasification; one month after the oil boycott, President Nixon announced the program to spend $10 billion for research on energy independence.
  - —Nuclear proliferation and the consequences of the "peaceful nuclear explosives" loophole pursued by the AEC and used by India as a backdoor to the nuclear club.
  - —Food, the "great grain robbery" of 1972, and the current world-wide commodity shortage.
  - —Nuclear safety against accidental explosions or the theft of a nuclear weapon.
  - —Terrorism, especially when terrorists gain access to means of mass destruction.

Important aspects of this multifaceted problem include the following:

1. From the perspective of U.S. national interests, the merits of current decisions about Trident, or oil reserves, or wheat reserves, or Okinawa reversion,

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or peaceful nuclear explosion depend criticially on future consequences of actions taken now. Present choices should therefore be made on the basis of the best possible projections of longer-run future consequences (not single projections, but alternative projections that bound relevant uncertainties).

2. The longer-run future is, in important respects, uncertain. Reasonable men can disagree about most important statements about the longer-run future.

3. Nevertheless, it is not true that all bets about the longer-run future are equal. While the art of forecasting differs substantially from one area to another, capabilities have been developed for improved betting about many longer-run problems. For example, engineers can quickly agree about most of Trident's physical properties in the year 1990, e.g. its ability to withstand stated stresses. Rand analysts of Japanese politics could make good bets about the emergence of Okinawa as an issue in U.S.-Japanese relations.

4. Participants in the U.S. Government tend to have short time horizons. Presidents and the members of their administrations last less than four years, on average. (For example, the average life of Secretaries of Defense has been less than 3 years.) Administration officials are accountable in the short run, and most of their incentives—e.g. reputation, rewards, opportunities for their next job, etc.—stem from others' judgments about their performance in the short run. Career officials tend to have longer time horizons. Particularly where their primary rewards are controlled by an organization, e.g. the Navy, they often act with regard to that organization's longer-run interest. Congressional committee members are often involved in a problem over a longer period of time and could take a longer-run perspective.

5. Predictions about the future are arguments in battles about current decisions. Given the incentives and opportunities for impact, most participants seem more confident about their preferences concerning current choices than about their projections concerning the longer-run future, and hence they adjust official predictions accordingly.

6. Long-term projection involves considering states of the world that challenge the goals or effectiveness of ongoing government programs, and are thus strongly resisted by proponents of such programs. Longer-term projections naturally include possibilities of radical changes in current policy and are thus potentially embarrassing, e.g. projections of the world of the 1980's in which the U.S. had cut its ties to Japan.

7. An attempt to build within the U.S. Government some countervailing pressures in favor of a longer-run perspective must therefore attend to three related issues: first, how to develop capabilities for making higher-confidence, longer-run forecasts about various classes of events; second, how to insert better longer-run judgments in the regular processes of governmental decision; and third, how to heighten central officials' awareness of the importance of longer-run consequences and of the near inevitability of their neglect.

B. Recommendations

This problem obviously spreads far beyond defense and arms control. In conjunction with an examination of other studies' suggestions about this problem, the Commission should consider developing recommendations along the following lines:

1. Building capabilities for deeper understanding of problems and better longer-run forecasts. Last year, U.S. Government research contracts and grants on problems related to international affairs totalled more than $500 million. Seventy-five percent of the research was spent by DOD, the rest by State, NSF, Treasury, ACDA, etc. The great majority of these contracts ask for quick studies of problems, one year or less, where one of the standard think tanks, e.g. Rand or CNA or a smaller consulting company, provides a fast answer. Many of the studies included longer-run projections. Few of the projections were worth much. Few of the studies had any important impact on governmental choices.

The whole philosophy of governmental research and funding practices should be radically revamped. Instead of short-term studies of specific problems, the government should try to develop capabilities to understand important problem areas and to make higher-confidence projections about the problem. The model is the Air Force Project Rand, where for almost twenty years the Air Force has given Rand an annual contract of $5–10 million, on the basis of which Rand established a high-quality team of analysts who worked both on problems they noticed themselves and on studies requested by the Air Force. Project Rand built a capability for understanding Air Force problems, e.g. basing, missile hardening, air shelters, logistics and the like, that has saved the Air Force at least a hundred times the cost of the research (according to Secretary McNamara's testimony). But assembling high-quality researchers to work on a set of problems on a long-term basis has also developed a much deeper understanding of defense problems in general, and of the use of analytic techniques to make projections about government-wide programs, thus serving Secretaries of Defense, and indeed even Presidents, as well as the more specific Air Force needs.

2. Strengthening staffs responsible for longer-

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run considerations. The standard solution to this problem is to create a planning staff. That staff faces a dilemma: if it focuses primarily on longer-run policy, it may develop elegant plans and accurate projections, but it will be excluded from the day-to-day action and thus have little impact on policy; alternatively, if it is good, it gets pulled into the staffing of current decisions and so becomes essentially operational with no time for longer-range planning. This dilemma is probably inescapable. But again, it can be a matter of more or less.

The Secretary of each major foreign policy department and agency should be encouraged to have a strong staff with primary responsibility for inserting longer-range considerations in current choices. The head of the staff should have a personal relationship with the Secretary and have some role in an important action-forcing process, e.g. staffing some part of budgetary decisions, or operational decisions, or speeches. The director should also be responsible for managing external research and using external research to build capabilities. A NSSM process that called for longer-run projections as well as current options, in which agency planning staffs as well as operating bureaus participated, could provide an important mechanism for encouraging attention to the longer run.

3. Advisory panels. Individuals in major positions of responsibility, e.g. the Secretaries of Defense and State, and the Chiefs of services, should be encouraged to consider Admiral Zumwalt's CNO panel. Consisting of ten to fifteen outsiders, all of whom Zumwalt knew personally, the panel met with Zumwalt for a day or two every three months to discuss issues raised either by the CNO or by panel members. While the success of the panel depended critically on personal chemistry and Zumwalt's style, it is suggestive of mechanisms that could encourage officials to think longer-run and less conventional thoughts than those that would be forced upon them by the press of business.

4. Second decade projections. As recommended by the CED: "The Congressional committees reviewing strategic weapons systems [should] direct their examination to the planning assumptions for the second decade. Congress should insist that authorization requests for strategic weapons be made in the context of projected second-decade needs. The objectives should be, not to forecast events, but to develop premises upon which alternatives can be based. The emphasis should be on designing programs that are flexible and adaptable. This will require even more skill in asking the right questions than in providing answers."

5. Five-year authorizations. As recommended by the CED: "All components of the defense budget [should] be projected ahead for five years during each annual budget presentation; however, hardware items requiring long lead time should be the subject of actual five-year authorizations. Each year's authorization process for major weapons systems would revise the earlier authorization for the next four years and add a new fifth year to the sequence."

IV. THE TASK: ASSESSING FOREIGN GOVERNMENTS

A. The Shape Of The Problem

Foreign assessment is a critical component of foreign policy choice: (1) *understanding* why foreign governments are taking certain actions; (2) *predicting* (making bets about) what actions foreign governments are likely to take; and (3) *predicting* the effect of proposed U.S. initiatives on foreign governments (and *redesigning* U.S. actions to achieve the desired impact). The cases examined by this project find that, on balance, the U.S. Government has *not* been well-served by current capabilities and procedures for foreign assessment. Repeatedly, Presidents, Secretaries of State, Secretaries of Defense, and their associates have not understood why foreign governments were taking certain actions; have acted on the basis of poor bets about the actions of allies and potential enemies; and have formulated U.S. actions aimed at one objective that in fact induced counterproductive reactions by foreign governments.

- *Skybolt and MLF.* Skybolt stands as a striking example of how not to do it; MLF demonstrates that it is possible to do much better. As discussed above, when agreeing to cancel Skybolt, President Kennedy insisted that the British be given prompt warning and a fair shake. The President and his chief advisors expected that once alerted, the British, "being clever chaps," would find some way around their problem and tell the U.S. what they wanted in return. If the counterproposal were reasonable, Kennedy meant to accept it. His decision to cancel Skybolt was not meant as a decision to renege on a bargain made by Eisenhower, to provoke a row with a close ally, or to force Britain out of the nuclear club. But for internal political reasons explored by the case, neither Prime Minister Macmillan nor Defense Minister Thorneycroft was prepared to open in Cabinet the issue of an alternative to Skybolt. Thus, they awaited an American counteroffer. There followed the misperception and misunderstandings on both sides that escalated

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quickly to a full-scale crisis: Britain's fearing, and the American press charging, that Kennedy did indeed mean to abrogate Eisenhower's bargain with America's staunchest ally and to eliminate Britain's independent nuclear deterrent. On the plane to the summit meeting with Macmillan at Nassau, Kennedy and British Ambassador Ormsby-Gore invented a proposal that could have avoided the flap: cancellation of American procurement of Skybolt combined with an American offer to share the development costs of Skybolt with the British, 50–50. This offer would provide no grounds for a row, even if, as seemed likely, the British had refused the offer and proposed instead a joint study group to consider alternatives. But this idea came too late, after, as Macmillan observed, "the lady had been violated in public." At Nassau, Kennedy agreed to sell the U.K. Polaris as the price for resolving the crisis. When Macmillan insisted on an escape clause for Britain's Polaris commitment to NATO, the U.S. negotiators agreed, having failed to consider the matter previously and thus being unprepared to name a price. Finally, when someone noted the problem that the special Anglo-American arrangement might pose for DeGaulle, and thus for British entry into the EEC, a cable was sent to Paris offering the French a "similar" deal, but failing to recognize that since the French were denied by U.S. law American nuclear technology, the submarine would be of little use. In fact, within the week, DeGaulle held a press conference rejecting the American offer as meaningless and pinning his veto of British entry into the EEC on the Anglo-American bond symbolized by the Polaris deal.

The sources of failure in American foreign assessment in this case are multiple. They include: the relative uselessness of routine political reporting for high-level political choice, when that reporting is uninformed by questions from Washington (for example, political reporting of the period noted neither the need for a generous offer nor the fact that the British Government was not preparing a counterproposal); the absence and/or weakness of analysis of foreign governmental action (for example, nowhere in the U.S. Government, either in Washington or in London, was there a good analysis of Macmillan's and Thorneycroft's problems with Skybolt and Polaris); the lack of any regular mechanism for informing American principals about the concerns of their counterparts (for example, McNamara did not understand the difference between a Secretary of Defense and Defense Minister); the unwillingness of high officials to ask questions or reach out for analysis (for example, McNamara throughout); and the difficulty of separating assessment from advocacy, especially by low-level officials with causes (for example, State's Europeanists' strong advocacy of MLF that led McNamara to discredit State's ability to assess U.S. problems).

The MLF case presents a happier picture, but one where good foreign assessment was produced mostly outside regular channels. Having been burned by Skybolt, Bundy and McNamara feared that MLF might become "another Skybolt." The Multilateral Nuclear Force was the principal American initiative toward Europe in the early 1960's, a proposal aimed at assuring the credibility of the NATO nuclear deterrent and nipping in the bud nascent German interests in independent nuclear forces by creating a fleet of mix-manned ships with nuclear-tipped missiles capable of hitting the Soviet Union (preserving a final American veto over the decision to fire). Strong British participation in the effort was taken to be essential. British elections were expected in the fall of 1964, and Labour was predicted to win. Thus Labour's position on MLF became a matter of concern to the U.S. Government. The Labour Party had no official position on MLF, but some members of the Party expressed interest in it as a receptacle for unloading all British atomic weapons, and thus satisfying the "ban the bomb" wing of the Party. MLF advocates in Washington encouraged reports about such preferences and argued that the U.S. should take advantage of Labour's interests to move immediately after the election to wrap up the deal. Political reporting from London mostly supported this position.

Wary of these reports, Special Assistant for National Security McGeorge Bundy contacted Richard Neustadt, a sometime consultant, and asked him to take advantage of plans to be in London in June to scout about and make his own predictions about the prospective Labour Government's position on MLF and the likely response to various U.S. initiatives. Neustadt talked to assorted politicians and bureaucrats, analyzed systematically their individual preferences and the way these preferences would likely be combined to form a governmental position, and made a number of specific predictions: no member of Labour's prospective front bench was impressed with MLF on its merits, but Gordon Walker (the likely foreign Secretary) would be brought around by Foreign Office officials; Labour would not be ready to confer before January and should not

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be rushed right after the election; Labour participation could be bought for a specified price; etc. The predictions were pretty much on target. Bundy and McNamara took advantage of them to design U.S. action accordingly. The MLF case includes a second episode. On assignment from the White House, Neustadt went again to London to take the Labour Government's temperature on MLF prior to the first meeting between Wilson and Johnson. Again, Neustadt's bets were good, as were the bets coming from Hillenbrand, the Deputy Chief of Mission in Bonn, after Washington put sharp questions to him about German views on MLF.

Some of the ingredients of successful political reporting are clear in the case: (1) Neustadt had deep knowledge of the fine detail of internal politics in Britain and an explicit frame of reference; (2) Neustadt had a clear sense of the issues principals in Washington cared about; and (3) Neustadt had access based in part on years of association with English politicians and bureaucrats, in part on English officials' perception that he was of the "Kennedy clique."

- *Other cases.* In the 1966 Offset case, political reporting from Bonn failed to note that Chancellor Erhard had a problem with the existing offset agreement, as well as with the subsequent agreement then being negotiated. By the later stages of offset, understanding and prediction improved, in large part because of a single excellent political reporter who was asked policy-relevant questions by the Undersecretary of State. NSSM I, the Nixon Administration's initial request to the agencies for a comprehensive review of the Vietnam War, posed several questions about foreign governments: Question 28 on the effect of U.S. bombing on North Vietnam's ability and determination to continue the war; Question 2 on the impact of various outcomes in Vietnam on other countries in Southeast Asia. Each question was answered individually by the assorted agencies. The answers constitute a telling indictment, particularly of the State Department, for lack of information, poverty of analysis, and inclinations to report policy preferences in the guise of predictions. Several of the cases on weapons acquisition, for example, strategic forces in the 1960's, and MIRV, suggest the extent to which official predictions about Soviet strategic capabilities seem to follow as much from the need to justify American weapons programs as from any attempt to make accurate statements about the future. The SALT cases illustrate the dramatic absence of information and estimates about Soviet negotiating preferences in the preparation of American negotiating positions. The Verification Panel emerged, at least in part, to hammer out agreed estimates about issues like Soviet MRV or MIRV. But the case quotes a central participant on the sheer absence in American development of negotiating packages of any judgment or estimate about likely Soviet preferences or actions. According to that participant, the U.S. Government had no real capability to offer useful judgments on the subject.

The cases illustrate a number of dimensions of the problem of foreign assessment.

1. Foreign assessment is a major function of the Department of State (where it is typically called "political reporting and analysis") as well as of the intelligence community. Here we address primarily foreign assessment as done by the State Department, though many of the remarks obviously apply to the CIA and other intelligence agencies as well.[1]

2. While foreign assessment has been an important function in recent American foreign policy, it will be of even greater importance in future policy. In the early post-war period, the preponderance of U.S. power vis-à-vis allies and enemies meant that foreign policy-makers could take comfort in the thought that, as one official put it, "however badly we choose, the great strength of the U.S. will somehow or another achieve our purpose." Today, that preponderance is gone. With the growing interdependence between U.S. security and economic interests on the one hand, and the security and economic interests of other major industrial countries on the other, U.S. foreign policy choices must take more precise account of the impact of U.S. actions on foreign governments—e.g. the overburdening of Chancellor Erhard, and of the impact of foreign actions on the U.S. As the line between "foreign" and "domestic" policy blurs beyond recognition, government choices that would have been regarded as purely internal affairs become important matters of international politics—e.g. Japanese decisions about inflation or German decisions about their national budget. With the shift in U.S.-Soviet and U.S.-Chinese relations from "confrontation" to "negotiation" and détente, the achievement of American objectives requires an evolution of politics in both countries: building vested interests in détente and trade and indeed, even forcing changes in internal policies on issues like emigration. Choices about actions that contribute to a "structure of peace" require careful judgments

[1]Commissioners will want to refer to the separate report on intelligence agencies.

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about trends in domestic politics of major nations and U.S. actions that affect these trends.

3. Good foreign assessment depends on: (1) *information* (the kind, quality, and form of information gathered about a foreign country); (2) *analysis* (capabilities for drawing inferences from the data gathered); (3) *presentation* (procedures for combining and presenting competing analyses); and (4) *relevance* to questions in the heads of key decision-makers and to choices being made in Washington.

4. While the Foreign Service includes a number of remarkable political reporters, and while performance differs somewhat from country to country, on balance, the cases suggest and all testimony supports the proposition that Foreign Service's foreign assessment is poor: poor on average as compared to the best examples of foreign assessment by FSO's; poor in comparison to CIA assessment; poor in comparison to reasonable expectations. Attempts to characterize Foreign Service reporting and analysis include the following:

- *Description* rather than analysis: "FSO's try to translate *Die Welt.*" "The traffic between the embassy in Peru and Washington was devoted to 'bureaucratic housekeeping,' to reports centered on immediate events or personalities, or to the transmission of unanalyzed materials, such as the seemingly endless tables of quantitative indicators employed in AID justifications. . . . A reading of the files suggests that discussion of alternatives within Peru were generally restricted to reports on personalities and today's or last week's events, rather than to broader trends or movements." [2] Secretary of State Kissinger: "Over the last four years I have been struck by the sheer volume of information which flows into the Department, contrasted with the paucity of good analytical material whether from the Department or from the field."
- Coverage is limited primarily to *politics narrowly defined:* "FSO's mostly talk to their counterparts in foreign ministries and send back what they say." "FSO's don't have much grasp of budgetary procedures or central bank decision-making or macro-economic forecasts or military issues."
- Where analysis is attempted, it is *unsatisfactory:* "Analysis tends to operate at a high level of aggregation, personifying governments and relying heavily on concepts like 'national interests' and 'governmental costs and benefits.'" "References to trends in Peru were generally made without systematic analysis." [3]
- Reports rarely hazard *inferences or predictions:* "To avoid the risk of being wrong, reports always balance one hand with the other, and never come down." "Most political reporting is cleared by several people, each of whom takes the opportunity to delete 'speculation.'"
- Reports *avoid English:* "The motto must be: avoid proposition; avoid Anglo-Saxon; write generalities." George Ball insists that he often returned cables with a note that they should be translated into English.
- Reports are *irrelevant* to Washington concerns.
- Reports *argue briefs.*

5. The reasons why reporting from embassies displays the characteristics above include:

- *Capabilities* of FSO's: officers are not recruited with any expertise at political reporting; they receive no special *training* in foreign assessment (it being assumed that a B.A. or an M.A. in political science or international relations will suffice); they rarely stay in a country long enough to develop any deep understanding of its politics; they tend not to understand technical matters, nor military matters, nor economics: "The State Department is asked to report on foreign reactions to recent changes in American strategic capabilities and doctrines, but there are not six Foreign Service officers who understand those changes."
- *Goals of FSO's:* officers aim to be ambassadors and diplomats, not analysts. "The ethos of the generalist and the amateur permeates the Service." "We think of ourselves as reporters, not as columnists."
- *Access* of FSO's: officers' primary access is in the counterpart foreign office, often by explicit agreement with the host country.
- *Incentives and rewards* of FSO's: officers' efficiency reports are written by superiors in the embassy who grade diplomatic skills, not the least of which is the ability to write political reports that support embassy policy and attract no unfavorable attention; no one in Washington or elsewhere regularly grades reporting or analysis.
- *Ignorance* of Washington concerns: because Washington fails to pose sharp questions to foreign embassies. In reply to the Undersecretary of State Porter's question about how reporting might be improved, one ambassador suggested that ambassadors might receive the relevant NSSM's!
- *Arrogance* of ambassadors: in many nations, an

[2] Luigi Einaudi, "Assistance to Peru: A Case Study, 1963–69," Rand Corporation.

[3] *Ibid.*

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ambassador feels that he knows better than Washington the problems of the country and the preferred course of U.S. action. Thus reports advocate policy.[4]

6. The reasons why desks, Assistant Secretaries, and INR do poor analysis include many of the above. At the desk level, the problems are almost the same. Assistant Secretaries lack any analytic staff. INR suffers in addition from the low quality of its personnel: the best FSO's try to avoid assignment to INR; the civil service employees include a number of excellent analysts but also a number of others.

7. The reasons why Presidents, Secretaries of State, Defense, and other principals fail to keep embassies informed, to pose sharp questions that would elicit relevant answers, and to reach out for better foreign assessment from the Foreign Service are many.

- Most Washingtonians have their biggest stakes in Washington and are thus so busy assessing other agencies in Washington that they take little time to look carefully abroad.
- Asking sharp questions of an embassy entails opening an issue that principals often prefer to keep closed, e.g. for McNamara to ask London about British reactions to Skybolt cancellation would have been to alert the U.S. Air Force and to arouse the State Department MLF advocates.
- Since answers to questions often come as briefs, the answers may not be worth much.
- Since embassies often have poor capabilities for analysis, even a straight answer may not be worth much.

B. Recommendations

It is not difficult to imagine a dramatic improvement in State Department foreign assessment available to the high levels of the U.S. Government—except for the organizational obstacles. What follows is one package of proposals that might be instituted by a Secretary of State over a period of several years (though full implementation would require concentrated efforts over several administrations). While the package of recommendations is meant to have some coherence, the Commission may want to consider the pieces individually.

1. Designate foreign assessment as THE comparative advantage of the Department of State. The Secretary of State should recognize the importance of foreign assessment, assert it persuasively, and announce his determination to make foreign assessment *the* comparative advantage of the Foreign Service and the Department of State. He would argue that greatly improved foreign assessment is a natural extension of current, routine political reporting, and the most natural distinctive competence within the reach of the Foreign Service and important to foreign policy-making.

2. Assign a Deputy Secretary (or Undersecretary) primary responsibility for implementing a program to improve foreign assessment and to administer the Foreign Service.

4. Distill and demonstrate intellectual capability for improved foreign assessment (both in the embassies and in Washington). The Secretary and the Undersecretary and the Deputy Undersecretary for Administration would choose five key countries for a "demonstration project." For each country, five to ten good Foreign Service officers would be identified and assigned to the embassy and desk (and perhaps to INR and Policy Planning). For each country, five to ten outsiders, both from other agencies within the government and from outside government, would be appointed in regular line jobs, or as special consultants. A panel of experts from outside government, primarily from the universities and think tanks, would be established for each of the countries. In addition, an effort would be made to identify individuals who have reputations as "wise men" about developments in each country. For each country, the fifty major issues of concern to the U.S. would be identified, bettable propositions would be stated about each, and each team would be asked to formulate explicit predictions about these issues. Simultaneously, an effort would be made to develop explicit methodology for improved foreign assessment. Efforts at developing methodology would begin with available techniques for "mapping" or "modelling" foreign governments, as illustrated in the MLF case, and supplemented with the insights distilled from the "wise men"—wisdom being identified by track records in betting about specified future events.

5. Expansion. As the capability is demonstrated and methodology developed, the program would be expanded to other key countries.

6. Build a base for developing greater capabilities for foreign assessment and for training Foreign Service officers (and others) in these capabilities. State's external research and the Foreign Service Institute would be completely revamped to support this effort, first in building capabilities in several universities and think tanks for new methods of foreign assessment; second, for much more extensive training of Foreign Service officers in university Masters and Ph.D. programs; and third, for

[4]For a dramatic case of this phenomenon, Commissioners may want to consult Ernest R. May's study of U.S. policy toward Thailand, which unfortunately remains classified but is available to Commissioners.

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greatly expanded use of the Foreign Service Institute as a training ground. Efforts should be made to capitalize on and cooperate with similar efforts in the CIA and the military services.

7. Establish regular procedures for evaluating political reporting and foreign assessment, including evaluations in FSO efficiency reports. Reporting and assessment should be evaluated not only by various users including desks, Assistant Secretaries, and Policy Planning on a quarterly basis, but a board of evaluators attached to the Undersecretary should make more comprehensive evaluations of FSO performance and include these evaluations in FSO efficiency reports and as part of the grounds for promotion. Prizes should be established for excellent examples of foreign assessment (this is done on a very limited basis now); perhaps booby prizes should be given as well, or at least publication of especially bad examples.

8. INR should be abolished in its present form and made an analytic staff for the Policy Planning Staff, with primary responsibility for foreign assessment. Half of the positions in INR should be made available for non-FSO's, non-Civil Service personnel. Civil Service slots should be used for three or four individuals who would be groomed as specialists and experts for each major country. Ideally, some way should be devised for developing country specialists in long-term assignments within the countries as well.

V. THE TASK: MAKING AD HOC ADJUSTMENTS FOR PERSONALITIES AND OPERATING STYLES

A. The Shape Of The Problem

The complete Skybolt report, which is available to Commissioners in classified form,[5] documents in detail the extent to which individuals' personalities and operating styles are inseparable pieces of the problem of organizing for foreign affairs. Here, illustration must be more general, but the point is the same. Organizational structure and procedures can be devised in the abstract. But the suit must then be altered to fit particular individuals. The President's personality and operating style is the most important factor, and he will appoint associates and use procedures comfortable to him. As suggested above, he should be alerted to costs and risks inherent in his choices. But he must also take primary responsibility for seeing that the roles, functions, and tasks assigned to the other key participants fit their operating styles, and for making conscious adjustments where the clothes don't fit the man.

Organizational structure, governmental tradition, Presidential intentions, and Presidential directives—all determined that Secretary of State Rusk should have assured "diplomatic" and "foreign policy" considerations an important place in daily decisions about foreign affairs in the Kennedy Administration. But in the Skybolt case, Rusk was unwilling to confront McNamara on an issue like cancellation of a missile and thereby force the diplomatic dimensions to the President's attention earlier; Rusk was not prepared to activate his department's ambassador in London, David Bruce, on an issue where McNamara had asserted control; Rusk signed his "Indians' " letter of instruction to McNamara, rather than disciplining his troops, or marshalling them to serve his purposes, though personally he was ready to disown the position. In consequence, as discussed above, the critical diplomatic dimension of the problem—that need for *generosity* in the American offer to elicit from Macmillan a reasonable counteroffer, rather than confrontation—went unrecognized until too late. Similarly, at Nassau, the foreign policy implications of the new agreement on nuclear cooperation got short shrift.

Over time, the NSC staff expanded to fill the vacuum left by the Secretary and the Department of State. Greater consciousness about the need for *ad hoc* adjustments, however, might have led to earlier identification of the problem and more explicit attention to it. By the end of 1963, Kennedy had begun to consider the need to change personalities, or to find alternative mechanisms for assuring the regular representation of "diplomatic" considerations in foreign policy choices. Rusk provides the most dramatic example. The Skybolt case also illustrates problems that arose from habits of operation of McNamara (a tendency not to debrief his staff on certain types of issues); of Bundy (his reluctance to have a "Bundy" of his own who stayed in place, unlike Kaysen, and thus could note issues that fell in the cracks); and indeed of the President (the irregularity of his procedures for debriefing his staff on meetings with the likes of Ormsby-Gore, and his preference for a free-floating, fast-moving central management in the style of FDR that entailed uncertain and irregular staff work, as well as the advantages Kennedy enjoyed).

Hints of similar problems, like tips of icebergs, appear in a number of other cases, though not in much detail. The need to adjust formal roles and assignments to fit individuals obviously arises not

[5]Request for declassification of the Skybolt was made and denied. That denial is now being appealed, and we hope that the appeal will be settled successfully before the Commission's final report to Congress.

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only at the center of the U.S. government, but within departments and offices as well.

B. Recommendations

1. Though judgments about personality and operating style are inevitably "iffy" and are easily distorted by competing preferences about policy, or competition for power, still the Chief Executive (and chief executives within other units of government) should note the problem, attempt to make such judgments himself, and give some other individual a license for watching and for making recommendations. In most administrations, this assignment would naturally fall to the Assistant for National Security Affairs, though as the distinction between "foreign" and "domestic" policy becomes more tenuous and less relevant, the argument for giving the assignment to more than one assistant or to someone whose brief is not defined solely as either foreign or domestic should be considered.

2. Chief Executives (and chief executives) should commission occasional studies of operations, both failures and successes, *à la* Neustadt's Skybolt Report for President Kennedy. Identifying individuals whose judgment merits, and commands, the respect of a Chief Executive is not easy, but it is possible. The contrast between private industry's seemingly perpetual study of management, including top management, and the practice of U.S. Government departments and agencies is striking.

3. Based on the above, Chief Executives should make explicit *ad hoc* adjustments in operating procedures—ones that frustrate organizational chartists' needs for neatness and offend any logic of organizational design—to fit the capabilities of individuals in key jobs to the Executive's own needs.

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Specific Findings And Recommendations From Summary Parts

Each Summary Part of cases in the seven areas of Defense and Arms Control identifies a number of inadequacies in that area and suggests tentative recommendations. The major findings that span more than a single area have been presented above. Here we simply list some of the more interesting possibilities from each Volume. These should be read not as formal recommendations but rather as suggestions that the Commission consider formulating specific recommendations related to each point.

I. MAKING DEFENSE BUDGETS

- Creation of procedures for a meaningful external review of the Defense budget. The most desirable mechanism for external review would be to create a capability in the Office of Management and Budget for review of the Defense budget in the same way that it reviews budgets of other federal departments and agencies. This would involve eliminating the current joint OSD/OMB review, substantial expansion of OMB's National Security Programs Division staff, development of greater capacity for analyzing DOD programs, and transfer of authority for presenting the Defense budget from the Secretary of Defense to the Director of OMB.
- Creation of a strong NSC subcommittee (chaired by an active Assistant or Deputy Assistant to the President for National Security Affairs with a staff of a dozen) as the principal mechanism for defining and debating—for Presidential decision—selective major choices about the Defense budget. Issues should include both key assumptions in Defense planning and budgeting (e.g. definition of the "threat," contingencies that the U.S. will prepare to meet, strategy, etc.); and major program and allocation decisions (e.g. the number of carrier task forces or the need for the B-1). This recommendation, in effect, calls for resurrection of the original conception of the Defense Program Review Committee.
- Creation of analytic staff offices in the NSC, State, and OMB competent to represent broader foreign policy interests in Defense budget choices. This might involve both a Deputy Assistant for National Security Affairs primarily responsible for Defense program review with a staff of a dozen, an Undersecretary for Political-Military Affairs staffed by PM expanded to include an equal number of non-FSO's, and the expanded National Security Programs Division staff of OMB.
- Creation of organizational arrangements and procedures for long-range analysis of macro-resource allocation decisions and focused analysis of the marginal $10 billion in the Defense budget and in select domestic programs, structured Cabinet-level competition for the money, and explicit Presidential choice. This mechanism should include procedures for relating to the new Congressional Budget Committee. Perhaps the most desirable arrangement would be to assign this function to OMB and to require the Director of OMB to chair an interagency study like the NSSM 3 study performed in the first year of the Nixon Administration.
- Joint preparation, presentation, and defense of a Foreign and Defense Policy statement by the Secretary of Defense and the Secretary of State to supersede the annual Force Posture Statement currently presented by the Secretary of Defense alone. Provision of appropriate staff to the Secretary of State to perform this function. The new statement could be presented to joint hearings of the Armed Service and Foreign Relations Committees.
- Presentation to Congress (or the appropriate Committees or a new Joint Committee on Na-

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tional Security) of an annual Net Assessment of the Strategic Balance. The assessment should be prepared by the intelligence community under the leadership of CIA and presented by the Director of CIA independently of the Defense budget and the budget cycle.

II. ACQUIRING WEAPONS

The most frustrating thing is that we all know how we ought to manage—you, me, all of us—and we refuse to change based on what we know.

Deputy Secretary of Defense
David Packard addressing
the Armed Forces Management
Association, 1970.

- Creation of new NSC mechanism for major weapons choices, as above. Issues to include not only "yes" or "no" on major systems at the point of acquisition, but also choices about missions, e.g. keeping sea lanes open in extended conventional war, and military requirements.
- Strengthening Systems Analysis Office in the Office of the Secretary of Defense and expanding charter to provide independent analysis and advice to the Secretary on all stages of the weapons process, including especially military requirements and early design.
- Creation of a capability, staff, and office for "implementation analysis" (either as part of a strengthened Program Analysis Evaluation Office, or separately).
- Restructuring the weapons acquisition process to require multiple, specific operational requirements; competing prototypes; a sharp break between advanced development and procurement; and independent operational testing and engineering. This recommendation, in effect, calls for extension of reforms begun by Deputy Secretary Packard.
- Creation of an independent Defense Test Agency with overall responsibility for monitoring all Defense testing and evaluation, and with particular responsibility for operational testing and evaluation.
- Requirement of a Weapons Impact Statement for every major weapon, an interagency study led by Defense, submitted to the President through the DPRC, stating costs, performance, alternatives, pro's and con's, and arms control implications. Alternatively, require a Weapons Impact Statement as part of the Congressional funding process. Strengthening ACDA to play a major role in producing statements.

III. FORMULATING STRATEGIC DOCTRINE

- Creation of new NSC mechanism for major choices about, as above.
- Establishment of a Nuclear Planning Review Group.

IV. MANAGING ALLIANCES

- Building within State (or if that is impossible, then elsewhere) a strong representative of broader security and foreign policy perspectives. Preferably, this would mean designating an Undersecretary of State for International Security Affairs, giving him a staff of 100 professionals, including the current Political-Military Bureau but expanded to include an equal number of non-FSO's, and involving the Undersecretary and staff in the regular processes of decision and action on Defense and Arms Control.
- NSC-sponsored interagency studies reexamining the rationale for each alliance, cataloging current U.S. Government actions that affect each ally, identifying obvious anachronisms, and posing alternative five-year plans. Issues to be examined, and where useful formulated for Presidential decision, include rationales for bases, commands, troops, MAAG's and the like.
- Creation, over time, of a strong Foreign Service capability for foreign assessment (in addition to routine political reporting) by establishing as a priority, rewarding, training, etc.
- Establishment of a Special Working Group consisting of a mix of recent officials including people who served in the White House in recent administrations to devise guidelines that will protect the government's interest in maintaining an institutional memory and record, while not neglecting rightful concerns about privacy of personal documents.

V. ESTABLISHING ARMS CONTROL NEGOTIATING POSITIONS

- Strengthening NSC mechanisms like early Verification Panel and Working Group for defining options.

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- Upgrading ACDA's capability to participate by increasing both analytic staff and budget.
- Rebuilding a strong arms control office in the International Security Affairs division of the Office of the Secretary of Defense.
- Requiring a separate section on arms control implications in proposed Weapons Impact Statement.
- Reestablishing within the Executive Office of the President a capability for independent scientific and technical judgment, perhaps a Council for Science and Technology.

VI. CONDUCTING MILITARY OPERATIONS

- Creation of a Military Operations Analysis Office in the Office of the Secretary of Defense, an equivalent of PA&E but focused on military operations. The office should have dual capability of systems analysis and also of implementation analysis.
- Creation of military operations analysis staffs responsible to each specified commander.
- Creation of an NSC-based mechanism for serious review and revision of contingency plans (a serious WSAG).
- Establishment of procedures for soliciting separate and independent assessments of military operations from all relevant agencies.
- Abolition of DIA on the grounds that it simply duplicates activities performed by each of the services' intelligence branches and CIA.
- Transfer of responsibility to serve as military staff in the chain of operational command, and of all other responsibilities related to military operations and the unified commands from the Joint Chiefs of Staff to a single senior military officer and creation of a separate staff for military operations responsible to him.

VII. CONTROLLING EXPORTS ON NATIONAL SECURITY GROUNDS

- Abolition of the Operating Committee for the Commodity Control List and Working Group 1 for COCOM with their single criterion process for restricting exports. Creation of an alternative Cabinet-level mechanism with new guidelines that include economic benefits to the U.S. and foreign policy gains as well as "military capability enhancement" of potential enemies. Designation as director of this mechanism someone charged with managing exports to U.S. advantage, including in particular using exports as bargaining chips with the Soviet Union.

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Part I:
Making Defense Budgets

BY J. P. CRECINE

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Introduction*

The process of composing the U.S. Defense budget involves tens of thousands of people generating tens of millions of sheets of prose and print-out, planning for expenditures of tens of billions of dollars—almost $100 billion in the current fiscal year. While the complexity of this process does not necessarily defy human comprehension, it certainly frustrates an attempt to present briefly a description and analysis of the process. Nevertheless, this volume attempts to summarize the larger case analyses of organizational determinants of the size and shape of annual U.S. Defense budgets beginning with Fiscal 1950 (the first budget prepared by the new Department of Defense) and ending in FY 1975.

For the Commission on the Organization of the Government for the Conduct of Foreign Policy, the Defense budget poses three related clusters of issues, which can be separated for purposes of analysis.

First, the *Defense Budget in Fiscal Planning and Management.* Over the past three decades, peace-time Defense budgets, in total and in detail, have been formulated in the context of two parallel budgeting and resource allocation processes: the Defense budget process, centered in the Office of the Secretary of Defense, and the non-Defense budget process, overseen by the Office of Management and Budget. Ultimately, the activities of these two agencies must be combined to determine total government expenditures, which, given tax revenues, imply a deficit or surplus of a chosen size. The deficit or surplus has a substantial impact on national economic objectives like inflation, unemployment, and growth: witness the longterm inflation that began in the late 1960's, fueled in large part by deficit spending for the war in Vietnam. If the U.S. is to have a coherent fiscal policy, budget planning and expenditure patterns of both Defense and non-Defense parts of the Government must be closely coordinated. The issue, in Commission terms, is whether current organizational arrangements for planning the Defense budget and coordinating Defense planning with non-Defense planning, facilitate a coherent fiscal policy; and if not, what changes could improve the prospect of more coherent fiscal management.

Second, *The Defense Total and the Defense/Non-Defense Trade-off.* In logic and practice during the last three decades a decision about a particular defense total has constituted a decision about a non-

*The case studies summarized in Part I were prepared for the Commission on the Organization of the Government for the Conduct of Foreign Policy. The studies are:

1. "The Resource Allocation Problem" by J.P. Crecine and Gregory W. Fischer, which focuses on major theories and concepts surrounding resource allocation in the national security area, the principal factors and considerations that ought to be reflected in Defense budgets, and the feasibility of various theoretical approaches to national security resource allocation decisions.
2. "The Total for Defense" by J.P. Crecine, which describes decision processes that contribute to the determination of the total Defense budget: analyzing exogenous forces, policies, and processes that have influenced the Defense Totals since Fiscal 1950; analyzing the existing processes both from an historical perspective and from a theoretical perspective; and recommending change and modifications in existing processes.
3. "Budgetary Decision-Making Internal to DOD" by J.P. Crecine, which examines the allocation of resources within the Defense Total to the military services and missions: describing in detail current DOD planning, programming and budgeting processes; providing a brief history of the evolution of such processes over time; and evaluating existing processes from theoretical and historical perspectives and from the standpoint of interrelationships with other government policy processes. A simulation of OSD review of service budget requests is provided, 1952–1975.

The author is indebted to Gregory Fischer and Graham Allison for their critical reactions to an earlier draft of this summary report. In addition, several members of the staff of the Commission on the Organization of the Government for the Conduct of Foreign Policy, a number of current and former Defense Department and Office of Management and Budget officials and observers of national security decision-making, provided critical comment on the earlier drafts filtered through Allison to the author.

Study in this area is complicated considerably by the problem of access to source materials. Commission Research Staff Director, Peter Szanton and Assistant Director, William Bacchus expended considerable efforts on the author's behalf to this end. In addition, OMB and OSD staff were most generous in their willingness to discuss budgetary processes and, within the limits of their organizational responsibilities, provided access to source documents and figures.

Finally, much of the background for the fiscal management and historical perspectives in this summary stems from the author's research on federal fiscal and budgetary process, FY 1948–70 supported by National Science Foundation Grant SOC72–05488 and the OMB materials developed in the context of that study.

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Defense total, and thus about American priorities. In theory, the decision to spend $100 billion on Defense rather than $50 billion or $150 billion should be based on careful calculations about how much is required to guarantee U.S. national security and foreign policy objectives. But these calculations alone are not sufficient to determine a Defense Total, since dollars spent for Defense cannot be applied to domestic programs, or left in the pocket books of private citizens. In theory, therefore, a decision about how much Defense is enough requires a judgment about the value of the last dollar spent on Defense as compared to the value we might get by other governmental or private expenditures. The questions for the Commission are two: (1) Thinking first in terms of national security objectives alone, are current procedures and organizational arrangements appropriate for choosing a Defense Total to meet national security needs? Should American citizens have confidence that these organizational arrangements produce a Defense Total that is roughly right, in contrast to a budget 50% smaller or 50% larger than the current total, for meeting national security objectives? (2) Are there good reasons for believing that the Defense/non-Defense trade-off is roughly appropriate in light of the marginal benefits from expenditures in each sector, and that the two combined represent a sensible division between government and private spending? Do current arrangements and procedures for making decisions about these trade-offs reassure citizens about the wisdom of the choices?

Third, *The Shape of the Defense Budget.* Specific expenditures on strategic forces as against general purpose forces, on manpower as against procurement, on Air Force programs rather than Navy programs, and the like, must support American defense and foreign policy objectives. Moreover, choice about the total size of the Defense budget cannot sensibly be made apart from careful examination of the marginal benefits of the various component programs. Currently, the principal mechanism for selecting Defense programs and shaping Defense budgets and programs to serve national foreign policy objectives is the Department of Defense's Planning, Programming, Budgeting (PPB) system. This system operates within a context of guidelines from the President through the NSC. The fiscal implications of its choices are reviewed jointly by OMB and OSD. Defense recommendations then become the President's budget which is submitted to Congress. For the Commission, the key questions are: do current organizational arrangements and procedures for making choices about the shape of the defense budget engage and balance the competing interests and objectives in such a way that citizens should have confidence that defense dollars are well spent? Are there changes in organizational arrangements and procedures that offer good prospects of better choices?

It is around these three clusters of problems that the summary is organized. Chapter 2 focuses on policy processes influencing the choice of the Defense Total in the context of government-wide fiscal planning and management processes. To improve fiscal management and the coordination of the defense and non-defense planning and budgeting, it recommends consideration of the following changes:

1. In the future, government fiscal policy should be formulated both in terms of total Federal Outlay and total Budget Authority for each budget year. Currently, fiscal policy is formulated only in terms of outlays (expenditures).
2. A mid-year, formal reconciliation of OSD and OMB "Defense Totals" planning figures should prevent serious disruption in government-wide budget planning processes and allow for more carefully considered trade-offs among the programs in both Defense and non-Defense areas.
3. The mid-year OMB/OSD reconciliation of the "Defense Total" should be made as part of the OMB Spring Budget Preview and the OSD issue paper/program decision stage in the four-week period from mid-June to mid-July and should involve explicit trade-offs between Defense and domestic program packages at the margin.
4. In the interests of increasing discipline in the Defense (and non-Defense) budgetary processes for a given budget after it has been submitted to Congress, amendments and supplementals should be considered in two large packages, twice a year (July and January) and should be considered in terms of updated fiscal policy and transmitted to Congress as a single package, together with the updated, aggregate fiscal policy implications.

Chapter 3 addresses the question of the Defense Total and the Defense/non-Defense trade-off. Current procedures for choosing the Defense Total and making the Defense/non-Defense trade-off can be improved upon, and several alternatives are examined for making a more explicit macro, Defense/non-Defense trade-off. The principal changes recommended for consideration by the Commission are:

5. Reconciliation of OMB and OSD numbers for the Defense Total should reflect explicit decisions about Defense and domestic programs at the margin. For this reason, the major reconciliation should be accomplished in mid-summer, so

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that the resultant program decisions can be incorporated into the detailed budget planning in OSD and OMB. The necessary Presidential participation in the reconciliation process should coincide with existing procedures for briefing the President on fiscal and budgetary issues and obtaining Presidential guidance during the OMB Spring Budget Preview. (See Recommendation 3, above.)

6. Organizational arrangements and procedures should be established for longer-range analysis of macro-resource allocation decisions and careful staff work on explicit decisions about the trade-off between Defense and domestic program packages, reflecting relative priorities of foreign policy/national security goals versus domestic goals and the relative costs and effectiveness of programs in the two spheres, as well as public versus private spending. Several alternative mechanisms are examined and their relative advantages and disadvantages discussed. Perhaps most desirable would be assignment of this function to OMB and a requirement that the director of OMB chair an inter-agency study like the NSSM 3 study undertaken at the outset of the Nixon Administration. Alternative arrangements would include the establishment of a new White House staff reporting to a cabinet-level oversight committee for macro-resource allocation; a similar staff in a new executive agency or committee for longer-run economic analysis and management; or a similar staff as part of a staff for the cabinet.

7. During the first year of every administration, the staff recommended above, wherever located, would be temporarily expanded to include personnel on loan from other related agencies for the purposes of conducting a major re-examination of macro-resource allocation policies (tax policy, fiscal policy and budgetary policies) for the new administration.

Chapter 4 examines current organizational arrangements for shaping the Defense budget and coordinating it with broader policy objectives. Among the changes recommended for Commission consideration are:

8. Joint preparation, presentation and defense of a foreign policy/force posture statement by the Secretary of Defense and the Secretary of State, to supersede the annual Force Posture Statement of the Secretary of Defense. Provision of appropriate staff to the Secretary of State to permit performance of this function.

9. Strengthening the staff of the Defense Program Review Committee (a NSC subcommittee chaired by an active Assistant or Deputy Assistant to the President for National Security Affairs) as the principal mechanism for defining and debating—for Presidential decision—selective major choices about the Defense budget. Issues should include planning and guidance for the regular defense PPB process, major program and allocation decisions, e.g., the number of carrier task forces, or the need for the B-1, and other principal issues generated in the programming phase of Defense PPBS.

10. Creation of procedures for a more meaningful external review of the DOD budget. Procedures should be devised for more formal participation of the National Security Program Division of OMB during the programming phase of the Defense PPB system. The most logical form of participation would be for OMB to assist the OSD Office of Program Analysis and Evaluation in a joint review and evaluation of the Program Objectives Memoranda and preparation of Issue Papers and tentative Program Decision Memoranda for consideration by the Secretary of Defense and the NSC. An alternate mechanism for external review would be to create an OMB capability for review of the Defense budget similar to its capacity to review the budgets of other federal agencies. This would involve the elimination of the current joint OSD/OMB fall review, replacing it with an OMB review, and expansion of the OMB's National Security Program Division staff.

Two introductory caveats are in order. First, in theory, the question "How much defense spending is enough to meet defense objectives?" appears fairly straightforward and answerable, when informed by empirical evidence and technical analysis. In practice, it is not. No methodology exists for comparing the payoffs from expenditures on strategic forces versus those on general purpose forces. Nor, in practice, is there any technical way for comparing the benefits of defense programs with benefits of domestic programs or private consumption that leads to a single answer commanding unanimous assent. Thus, the answer to the question about the size of the Defense budget is, from an analytic perspective, "arbitrary" over a wide range, let us say, of current levels plus or minus 50%. Over that range, reasonable people can and do differ about the right level of Defense spending. They can differ in part because they differ on the underlying issues that determine the Defense budget; about American foreign policy objectives; about contingencies for which the U.S. should be prepared; about the cost-effectiveness of different weapons systems; about the relative benefits of Defense and domestic programs; and about both Defense and domestic programs versus private consumption. Over a range of Defense budgets and on underlying issues differences are, and must be, resolved in the

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process of political (both bureaucratic and elective) debate.[1]

Second, because reasonable Americans can reasonably disagree about the appropriate Defense Total (and its components), it is essential, therefore, that the organizational arrangements and procedures for composing the Defense budget and deciding about its size and shape be appropriate. Not only is legitimacy of decision largely a function of procedure, organizational arrangements must attempt to balance power, legitimacy of interest, and depth of competence to produce a Defense establishment that meets our security requirements, balances total defense expenditures with other national objectives, and is developed and modified through a process that encourages sound fiscal management.

Both caveats deserve brief elaboration. The notion that the Defense Total is arbitrary—from an analytic point of view—over a range as wide as plus or minus 50% appears disturbing. But when one considers the large number of related judgments that must be combined to reach a Defense Total and the uncertainty that surrounds each judgment, the possibility of reasonable disagreement about the desirable level of Defense spending becomes more understandable. Decisions about the Defense Total (or even about component Defense programs) require judgments about (1) U.S. national security interests and foreign policy objectives (2) American commitments (3) the likelihood of various contingencies that arise from actions by foreign nations (4) Defense policy judgments about effective capabilities for meeting each contingency and (5) the cost-effectiveness of alternative weapons systems and forces for providing required capabilities. Americans can reasonably differ about each link in this chain—for example, whether Greece is important to U.S. security; how U.S. commitments to Greece should be interpreted; whether the likelihood of a major attack on Europe is high enough to justify U.S. maintenance of ready forces to defend against the southern flank; how the U.S. should meet this attack if it occurs; and how many active divisions this contingency requires. Moreover, a Defense Total cannot be chosen without making implicit judgments about benefits of domestic programs and private spending. Calculations about each of these involve a similar chain of argument composed of links about which there is equal uncertainty and disagreement. Given the fact of substantial differences among the participants who make choices about the Defense budget and Defense/domestic trade-offs, such choices must emerge from what is to some extent a bargaining process in which different individuals, institutions, and substantive views have differential access and representation. The central issue concerning current organizational arrangements for constructing the Defense budget is whether these procedures can alter the current balance in ways likely to produce better judgments about the size and shape of the Defense budget and the split between Defense and non-Defense spending.

In the absence of agreement about outcomes, it may be possible, nonetheless, to agree about certain desirable characteristics of processes for making decisions about Defense budgets. Desirable characteristics are obviously tied to assumptions about the extent of possible changes in the institutional division of labor, analytic capabilities available, and ultimately the basic distribution of influence in the society. These assumptions are discussed at length in the larger study. Essentially, our assumptions here are conservative. We expect that the broad institutional division of labor and current analytic capabilities will remain largely unchanged. Given these assumptions, this study judges that the following sequence of decisions is desirable, possible, and compatible with existing decision processes.

Fiscal Policy Targets and Their Implementation

- Based on projected revenues and the fiscal policy goals of the President and his economic advisors, establish an approximate target (± $5 billion) for total government spending.
- Changes in spending targets from Executive Branch budgetary planning, Congressional consideration, through the actual expenditure of funds should be explicitly coordinated with changes in overall fiscal policy.

Macro Defense/Domestic Trade-offs

- Based on the nation's foreign policy goals, the assessment of potential foreign threats, and previously enacted legislation, list at a fairly macro level, the Defense programs either required by prior legislation or desired because of their contribution to our foreign policy objectives. For each program, assess its probable cost and its probable level(s) of effectiveness.
- Based on a consideration of domestic goals and previously enacted domestic legislation,

[1]As Schilling concludes in the major study of the first Department of Defense budget: an appreciation of the "two conceptual aspects of Defense budgeting—the inordinate intellectual difficulty of problems involved, and the fact that they are resolved through the medium of politics (both bureaucratic and electoral) as well as that of analysis—is essential for understanding of the budgeting process and the kinds of budgets produced by that process." Warner R. Schilling, "The Politics of National Defense: Fiscal 50" in Schilling, Hammond, and Snyder, *Strategy, Politics and Defense Budgets* (Columbia University Press: New York) 1962.

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construct a similar list of major domestic program areas, along with estimates of cost and effectiveness. Construct a similar list for the tax reform proposals.

- Staying at a fairly macro level, consider possible trade-offs between discretionary Defense and domestic program expenditures and levels of taxation. For example, one might consider two or three strategic and two or three conventional force postures by looking at their implications for domestic programs or tax levels; examine the marginal $10 billion in Defense and domestic program packages. Based on this crude macro trade-off analysis, establish rough budgetary targets for overall Defense and domestic spending. These targets should, of course, be consistent with the overall government expenditure target.

Defense Sub-optimization and Detailed Program Planning

- Within the Defense agencies, a quasi-sub-optimization process now begins. Given the general goals implied by the foreign policy objectives and threat assessments, and the force posture goal and budget targets which emerge from the preceding stage of the process, the resulting set of programs must be more thoroughly specified. Together, of course, the cost implications of these programs must be consistent with the Defense expenditure target. Coherence of the total package of programs should be maintained by assuring that they are consistent with the strategic and general purpose force posture goals that emerged from the macro trade-off process.

Non-Defense/Domestic Programs Sub-optimization

- Within the domestic agencies a similar process should be used to generate a set of specific programs consistent with both macro-level domestic goals and with the overall budget constraint for domestic activities.

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The Defense Budget in Fiscal Planning and Management

Perhaps the most interesting general fact about the total Defense budget is that it has remained virtually constant, in real dollar terms, since FY 1955, the first Eisenhower Defense Budget (see Figure 1). If one had taken the Eisenhower FY 1955 Defense Budget as a starting point and had attempted to forecast what the FY 1975 Defense Budget would be, in total, a forecasting procedure that assumed the Congress would, year in and year out, grant the Defense Department (excluding Military Assistance Programs) a 5.4% increase in Budget Authority, one would have come very, very close to predicting the actual FY 1975 Defense Budget. The 5.4% annual increase closely approximates the rates of inflation that have occurred for the men and materiel for which DOD makes expenditures. The only significant deviations from the "5.4% line" occur during the last two Eisenhower budgets (below), the first two Kennedy budgets (above) and during the Vietnam period (above, then tapering off to meet the "line" in FY 1971).

Two conclusions are inescapable from an examination of long-term (FY 1955–FY 1975) trends in the Defense Total: [1]

1. The Defense Total is not a finely tuned number. On the face of it, it is not a decision which reflects in a direct way changes in the costs or the problems facing the military establishment. One has to look hard to see the effects of the nearly ten-fold increase in the per unit costs of fighter aircraft and tanks, the introduction of ballistic missiles, the Volunteer Army or of the changing U.S. relationships with our NATO allies and with the U.S.S.R. and China on the Defense Total.

2. The inertia and stability in the Defense Total undoubtedly has its origins in the inherently "arbitrary" nature of the number it represents and in the stability of the organizational and bureaucratic interests involved; interests encompassing the officials and employees of the Department of Defense, the professional military establishment, the domestic agencies (interests represented most directly by the OMB), military contractors and their employees and various members of the Congress. In an atmosphere where no position on the Defense Total can be shown to be "right" and where the political and bureaucratic forces involved seem fairly stable, perhaps it is not unreasonable to expect that "how much is enough?" will be answered, "last year's plus 5%" or "the same—in terms of real resources—as last year"; at least that might represent a "solution" that the various and diverse participants could "live with." [2]

A more detailed examination of the formation of the Defense Total illustrates the primary importance of fiscal policy concerns in shaping the Defense Total. By "fiscal policy" is meant that complex of political and economic growth and stabilization considerations that serves to generate an administration's policy and a planning target for Total Federal Expenditures during any given budget period.

There are two sets of reasons why the coherence of fiscal policy processes is important. First, government-wide fiscal pressures are the single most important determinant of the Defense Total during peacetime.[3] To the extent the Defense Total affects the nation's military capabilities and corresponding foreign policy options and serves an important

[1]The "Defense Total" has meant different things during different periods. Often it includes military assistance programs and occasionally the AEC, stockpiling and foreign (economic) aid. Here, the Defense Total refers only to the military functions of the Department of Defense.

[2]A "last year's plus 5.4%" balance between the various long-term factors that form the context of decisions on the Defense Total is actually a decision on the size of the "permanent" Defense establishment. Although the potential for controversy on the size of the "Vietnam increment" and by implication the "Peace dividend" was great, no such debate materialized at the national level.

In the aggregate, there seemed to be substantial agreement on what would be required to keep the Defense establishment at roughly pre-Vietnam levels, in terms of modernization, inflationary adjustments and the like.

[3]This point is developed fully in the larger study referred to earlier. The development of the Defense Total from a fiscal policy perspective is analyzed in detail for FY 1950, FY 1955, FY 1963, FY 1966 and FY 1975.

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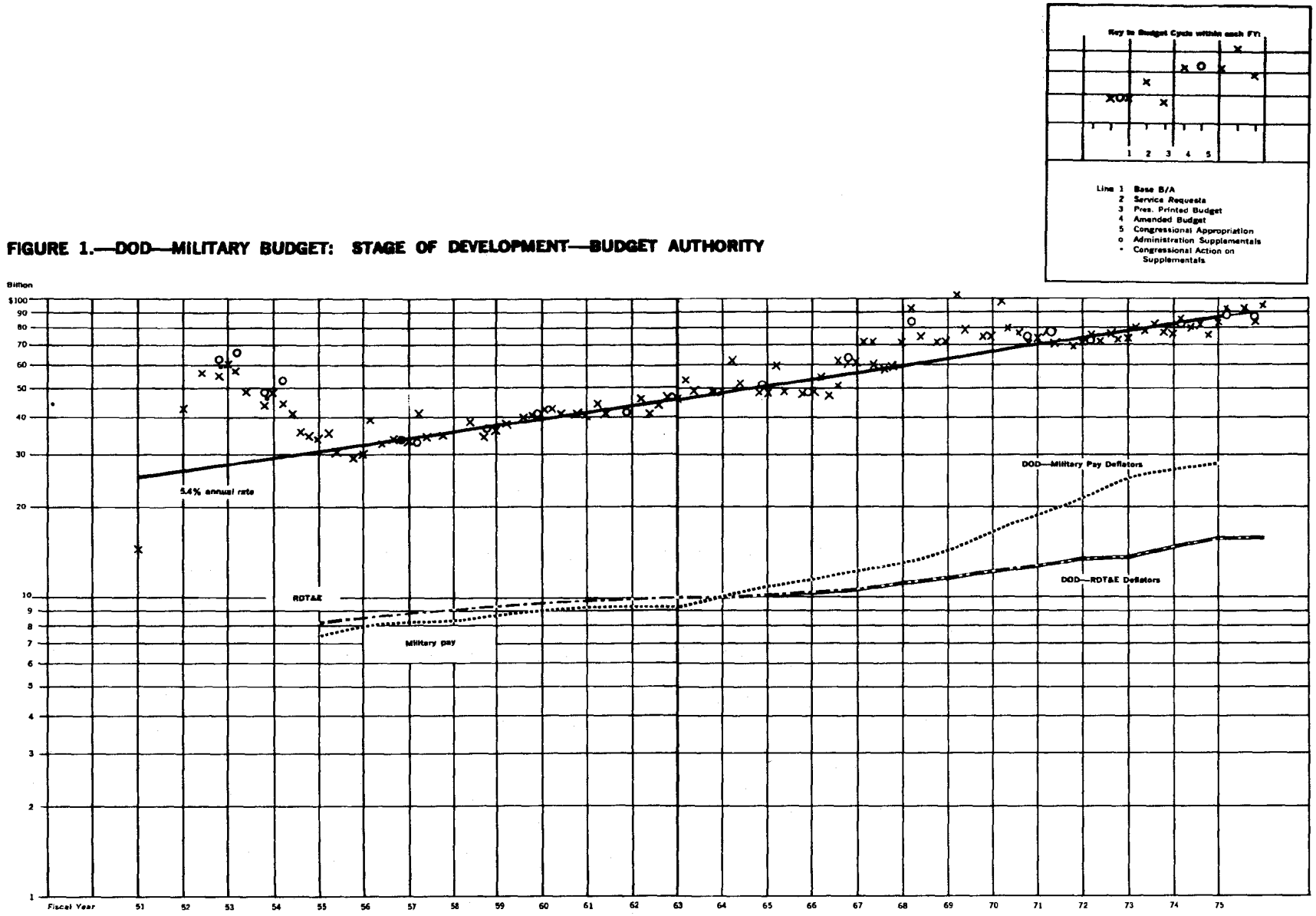
FIGURE 1.—DOD—MILITARY BUDGET: STAGE OF DEVELOPMENT—BUDGET AUTHORITY



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symbolic function in the conduct of foreign policy, an understanding of the fiscal policy determinants of the Defense Total is important. An interest in national security and foreign policy implies, indirectly, an interest in fiscal policy formation and in the coordination of Defense and non-Defense spending plans. Second, given the size of the Defense budget, an interest in economic growth and stabilization policy demands concern for the coherence of the nation's fiscal policy processes. The factors that affect the Defense Total and the coordination of Defense and non-Defense spending plans are fundamental to a coherent fiscal policy.

I. The Fiscal Policy Context: Need For Coordination

One way to understand an important part of the structure of federal fiscal and budgetary policy processes is by reference to an Identity.

Total Federal Expenditures_t = Defense Expenditures_t + Non-Defense Expenditures_t

or

Tax Revenues_t + Deficit_t = Defense Expenditures_t + Non-Defense Expenditures_t

This Identity holds both in the planning stage and when government resources are being expended—for all values of "t." The total size of the federal budget has social and political meaning and represents the principal economic policy instrument of the federal government. A division of resources between Defense and non-Defense items is an important aspect of any administration's policy.

The variables in the Identity represent different policy instruments. Given the different policy objectives associated with each of the variables, it is extremely difficult to vary one objective so as to simultaneously meet the demands of the others. Even in wartime when Defense expenditure levels might be fixed with less reference to the other terms in the Identity and more by considering only "military requirements," constraints exist on how much the federal government can reduce domestic programs, raise taxes, or incur huge deficits.

Historically, and for the foreseeable future, any administration or Congress is fairly seriously constrained on its use of the left-hand side of the Identity to respond to desired changes on the right-hand side. The two principal components of "Total Federal Expenditures" are "Deficits" and "Tax Revenues." "Deficits" as a policy instrument respond to quite different sets of forces than those impinging on the right-hand or expenditure side of the Identity and only extreme circumstances (wars and severe recessions) politically justify its manipulation outside of a relatively narrow range. Aside from an automatic "fiscal dividend" in revenues resulting from the interaction of a progressive tax structure and an inflationary economy, "Tax Revenues" are difficult to control as a policy instrument. In normal times whatever the government's fiscal policy is ("Tax Revenues" plus "Deficit"), determines within fairly close tolerances what Defense plus non-Defense spending must add to. In a world where Revenues and Deficits have political and economic meaning and, hence, constraints attached to them, either Defense or non-Defense or both must also have fiscal constraints applied. Whether "Total Federal Spending" is determined in the context of a "balanced budget" objective as during the Truman and Eisenhower Administrations, the "new economics" with discretionary deficits as under the Kennedy-Johnson Administrations, or in the context of the "full-employment revenues" concept with automatic stabilization features as during most of the Nixon Administration, fiscal constraints will apply to Defense and domestic spending totals. Those constraints will involve considerations that do not relate to the details of Defense or domestic programs.

It should also be noted that significant organizational and bureaucratic constraints govern Defense and non-Defense spending. Government expenditures represent ongoing organizations; the cutback in Defense operations for example means closing bases in a Congressional district, cutting back on military contracts for a firm, putting individuals out of work, killing an officer's pet project, blocking promotions for military personnel and the like. For non-Defense items cutting back on services or programs that some group has grown to expect presents similar problems.

Each of the variables in the Identity represents planning and policy instruments under control of different groups of people. "Total Federal Expenditures" represents a policy instrument in the domain of the President's principal economic advisors. Under Kennedy-Johnson this was the "Troika," high-level staff of the Bureau of the Budget, the U.S. Treasury Department, and the Council of Economic Advisors. The principal debates in the Kennedy-Johnson Administrations seem to have involved the appropriate size of the deficit and the timing and character of tax-rate changes. Early on, the Nixon/Ford Administration adopted a "formula" for determining total federal expenditures having certain automatic stabilization properties. Recent federal budgets have allegedly set total spending equal to the level of federal revenues that could be expected, under existing tax laws, if the economy were at full employment. Federal fiscal policy from 1969 to the summer of 1973 essentially involved a rather mechanistic application of the formula, and the principal debates over fiscal policy concerned mostly whose forecasts and estimates of "full employment revenues" should be

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accepted. Although the fiscal policy process since the late summer of 1973 seems characterized by its lack of coherence, rivalry among the President's principal economic advisors and shifts between anti-inflation and anti-recession measures, the broad issues remain. The President's principal economic advisors are most concerned with the policy instruments represented by the left-hand side of the Identity, with the House Ways & Means Committee representing the major constraint on the short-range adjustment of the tax structure, and hence "Total Expenditures." [4]

The Office of Management & Budget and major domestic agencies are the primary representatives of "Non-Defense expenditures." The Department of Defense, through the Secretary of Defense and the Joint Chiefs of Staff, is the prime representative of "Defense expenditures" and interests. The annual fixing of the terms of the Identity requires the input of all these groups.

Observers of national security policy generally identify four principal peacetime "shift points" in Defense budgets and force postures: the formulation of the first Department of Defense budget (FY 1950); the first Eisenhower Budget with the "New Look" in Defense (FY 1955); the first Kennedy/McNamara Defense Budget (FY 1963); and the first Nixon Defense budgets. Detailed examination of the Defense budget formation process for each of these years reveals the importance of fiscal policy considerations in each "critical" year.[5]

Any proposal for altering budgetary processes for Defense that does not explicitly cause the Defense Total to adapt to overall fiscal policy constraints will not work. Too many other forces, represented by the other terms in the Identity, are affected by shifts in the Defense Total for the decision to be made without severe contraints.[6]

The Identity defines the context within which the Defense Total is chosen. Simply put, the final Defense Total in the President's Budget is the result of bargaining between Defense interests (Secretary of Defense and, perhaps, the JCS), non-Defense interests (Director, OMB) in the context of the Total Federal Spending portion of the Administration's fiscal policy. While, under any administration, the final arbiter of the Defense Total will be either the President (Eisenhower) or a trusted advisor (Kissinger or McNamara), the range of positions from which a choice is made will in large measure by those served up by the separate budget planning processes of OMB and OSD. Arguments about the Defense Total in any given year take place within the context of a Total Spending figure. The precise outcome of the constrained bargaining process requires some appreciation of:

1. *The overall national security planning context:* administration-wide policy agreements such as those on basic force posture generated by the NSSM 3, National Security Council Study in 1969 and the subsequent National Security Decision Memoranda (NSDM's 16 and 27), for the Nixon Administration.
2. *The routine planning and budgeting processes of the Office of Management and Budget and the Office of the Secretary of Defense,* both of which need a "Defense Total" to be carried to completion. The Defense Totals carried by OSD and OMB frames the choice set for the President or his prime National Security advisor.
3. *The bureaucratic politics and preferences of the President's principal policy advisors and their relationships to the President:* Dr. Kissinger's "exclusive" access to President Nixon and his belief in the symbolic importance of the U.S. "Defense Total" to the Russians and its importance in foreign policy negotiations.

II. Existing Government Resource Allocation Processes: OMB and OSD

The two primary decision chains shaping DOD totals in the Executive Branch are illustrated in Figure 2. The OMB budgetary process has two principal phases:

- a macro-planning and "target setting" phase called the Spring Budget Preview and
- a more detailed Directors Review phase in which agency budget submissions are examined in great detail and reconciled with spending and appropriation targets generated for each agency during the Spring Preview phase (adjusted) and with overall fiscal policy.

The *Spring Budget Preview* provides for an updating of estimates contained in the most recent President's Budget for individual agencies based on Congressional actions, price changes, shifts in eco-

[4]Congressman Wilbur Mills and the House Ways & Means Committee represented a major influence on tax policy as was well illustrated by the difficulties experienced by the Kennedy tax reduction proposed in 1963–64 and the Johnson tax surcharge proposal in '66–'68, documented elsewhere. Lawrence Pierce, *The Politics of Fiscal Policy Formation* (Goodyear Publishing, Pacific Palisades) 1971, pp. 135–178. See also S. Surrey, *Pathways to Tax Reform* (Harvard University Press, Cambridge) 1973.

The failure of President Ford's 5% tax surcharge proposal in the fall of 1974 and the limited success of his tax cut proposal in the spring of 1975 also illustrate the point.

[5]Documented in the larger study referred to above.

[6]Since the mid-1960's, the OSD staff has prepared estimates of Identity terms—estimated Federal revenues and fiscal policy ("full employment revenues"), domestic, legislatively-mandated, uncontrollable expenditures and trends in other non-Defense expenditures—to provide Secretaries of Defense with estimates of possible ranges for the Defense Total.

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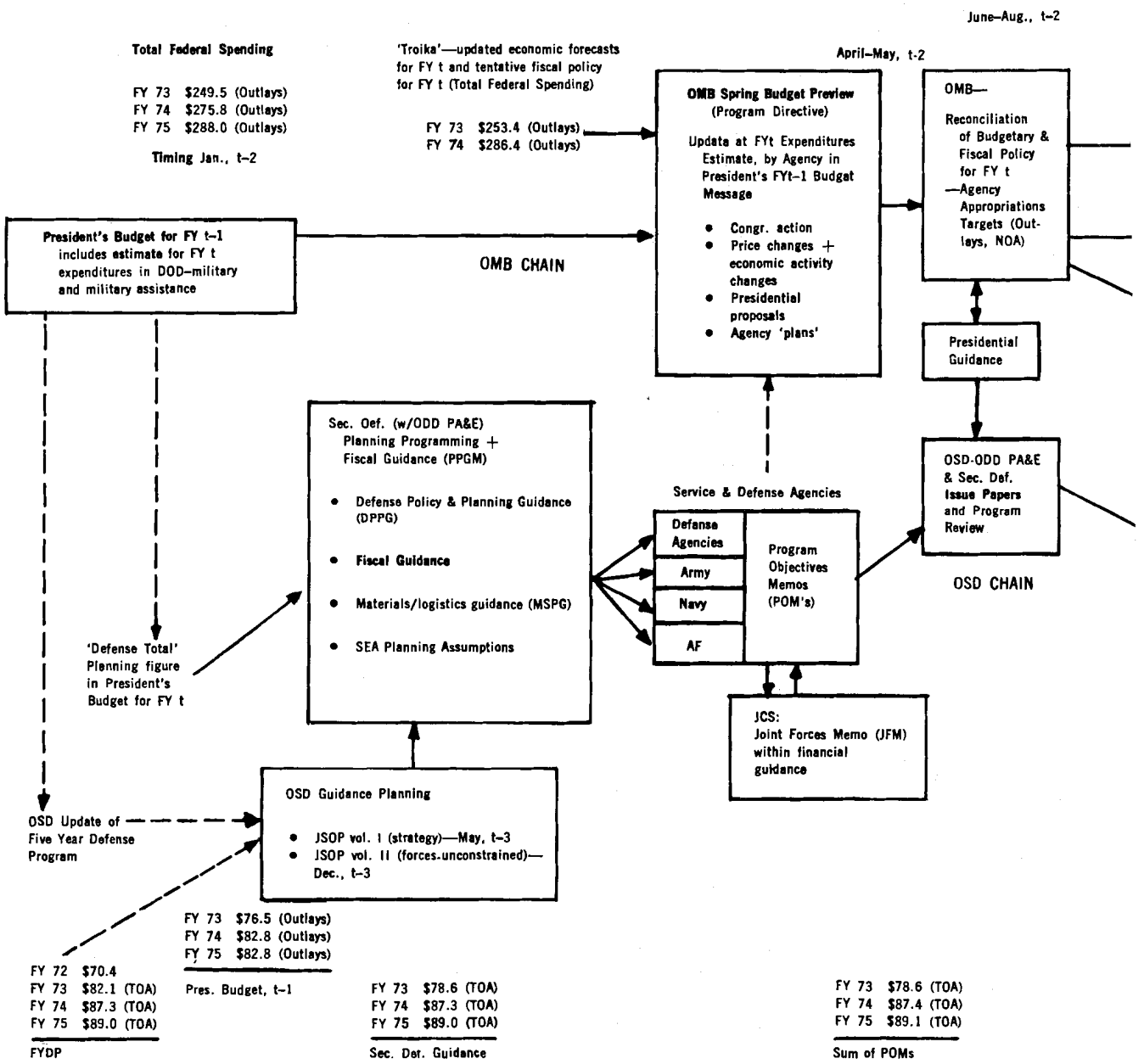
FIGURE 2.—PROCESSES SHAPING PRESIDENT'S BUDGET FY 'T': NIXON/FORD ADMINISTRATION



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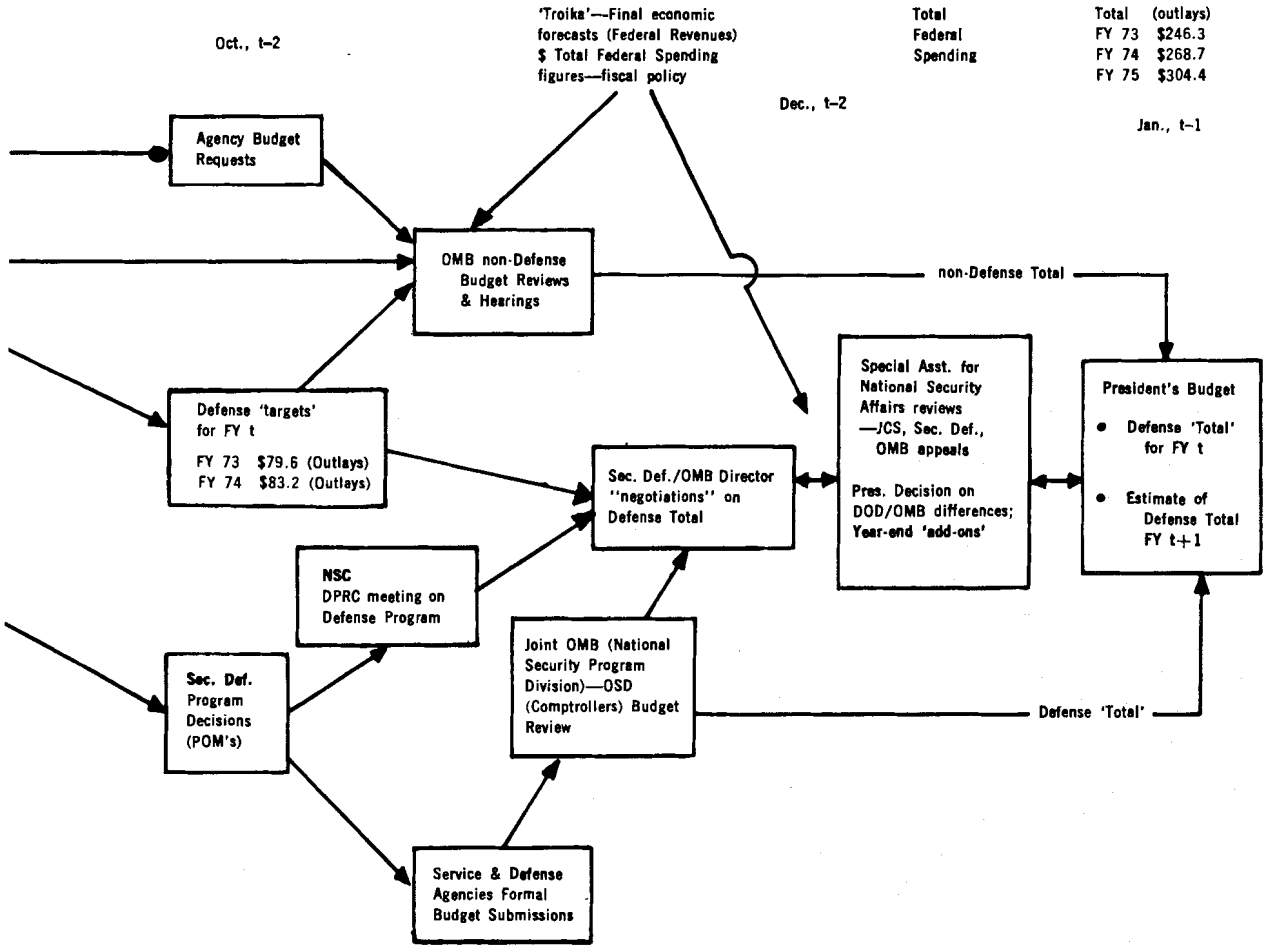

	Amended		
FY 73	$79.6 (TOA)	80.4	
FY 74	$87.2 (TOA)	87.2	
FY 75	$89.3 (TOA)	89.3	
Sec. Def. Program Decisions			

FY 73	$85.1
FY 74	$90.1
FY 75	$91.7
Service Submissions	

(NOA) Defense Add-ons	
FY 73	+.05
FY 74	—
FY 75	+3.6
Defense Add-ons	

Defense (outlays)	
FY 73	$86.5
FY 74	$79.0
FY 75	$85.8

Defense (NOA)	
FY 73	$83.4
FY 74	$85.2
FY 75	$92.9
President's Budget, t	

Note: NOA + minor financing adjustments = TOA

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nomic activities, various new Presidential proposals and known agency plans. The updated agency estimates are aggregated and their total is compared with overall fiscal policy targets for the upcoming budget period. The individual estimates are adjusted so that the sum of the individual agency expenditures and appropriation estimates adds to a total consistent with tentative administration fiscal policy for the budget planning year. The adjusted estimates then become ta s or ceilings for the agencies. Although the process of reconciling agency expenditure estimates with tentative fiscal policy often benefits from explicit Presidential guidance, Presidents rarely become deeply involved in the budget process so early in the cycle. Aggregate direction about which agencies should get critical reviews and which agencies are to be dealt with more generously, is sometimes given. But rarely do Presidents provide specific numerical budget targets. At the end of the Spring Budget Preview, OMB sends to all agencies *except* the Defense Department targets for expenditures and new obligational authority which are intended to guide the Fall agency budget submissions—"policy letters." Although agency budget submissions are usually well along in their development prior to receipt of the OMB target, nearly all agencies make a serious attempt to relate their final submission (due during the month of October) to OMB targets. Note that a number for Defense is required by OMB to reconcile aggregate non-Defense agency targets with fiscal policy. In a macro sense, much of the Fall OMB *Directors Budget Review* consists of cutting agency budget submissions down to target levels. Although there is some flexibility in agency targets, due to changes in overall government fiscal policy the change in the target accounts for a small proportion of the reconciliation of agency requests with OMB targets, except in years (like calendar 1974) where there are massive upward shifts in fiscal policy. Once the macro allocation between the various non-Defense agencies has been made during the Spring Preview, increases and decreases in individual agency totals can only be accommodated with off-setting increases or decreases in other agency totals or within a change in the overall domestic spending target. The final reconciliation of the non-Defense Totals with the Defense spending term in the Identity occurs very late in the budget cycle, generally around the middle of December prior to the submission of the President's budget in the first week of January.

Planning and budgeting processes in the Defense Department follow a reasonably similar schedule, but the planning phase is much more elaborate and extended. "Fiscal guidance" is given to the military services and Defense agencies in late March or early April as opposed to July or August.[7] Earlier fiscal guidance to the services and Defense agencies is given by OSD for the simple reason that they, in contrast to the domestic agencies, are very deeply involved in the longer-range program and planning processes. Although the services have nominally been involved in planning since the Defense Planning, Programming and Budgeting System (PPBS) was introduced in 1963, only since the beginning of the Nixon Administration has fiscal guidance been provided to the services and to the Defense agencies.[8] Previously the planning phase was (formally, at least) unconstrained with respect to a Defense Total. Services and Defense agencies are given policy and fiscal guidance in April and respond with detailed plans (Program Objectives Memoranda) within guidance, by mid-May. The Secretary of Defense and the OSD Planning, Analysis and Evaluation OSD (PA and E) staff review the submitted plans and by the end of the summer generate a set of "Program Decisions" which, in the aggregate, also fit within updated fiscal guidance. The services' and Defense agencies' formal budget submissions (October 1) are then based on Secretary-of-Defense-approved Program Decisions made previously. Comparatively speaking, Defense agencies and services receive more detailed policy and program guidance than their domestic counterparts, about the same level of fiscal guidance early in the process and much more detailed fiscal guidance after Program Decisions have been reached. Service and Defense agency submissions are then reviewed by OSD (Comptrollers) and personnel from the National Security Program Division of OMB. The joint OSD/OMB budget review of the Defense budget, while "joint" in theory, is from all reports basically an OSD budget review with OMB observers. A prime function of OMB participation in the joint review is in providing an information link on the Defense budget to the Director of OMB. This aids in the year-end reconciliation of the OMB "number" for Defense and the OSD "number" for Defense and generates a list of items in the resultant Defense budget proposal to which OMB can raise objections. OMB's principal impact on the Defense budget is through its influence on the total, not through its review of the parts.

On the assumption that the broad features of the parallel OMB and OSD budgeting processes are not subject to major change, we can examine the adequacy of existing procedures in terms of the list

[7]The equivalent of appropriations and expenditure targets given to non-Defense agencies by OMB at the end of the Spring Preview.

[8]This is only approximately true. During the last two years of the Johnson/McNamara Administration, the Assistant Secretary of Defense (Comptrollers) issued an informal memo which provided estimates of likely Defense, Service and Program Totals.

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of desirable characteristics of the federal resource allocation system developed earlier. Those functions were "fiscal policy targets," "macro-Defense /domestic trade-offs," "Defense program sub-optimization," and "non-Defense/domestic program sub-optimization." The parallel decision streams in Figure 2 represent "Defense" and "non-Defense" sub-optimization processes. The "Defense sub-optimization function" will be discussed in Chapter 4. With respect to "fiscal policy" functions, we can examine the adequacy of existing processes in terms of the degree of coordination between the OMB and OSD decision streams as they converge on their respective Identity terms, in the context of developing the President's budget. We can also examine the coordination, again in fiscal policy terms, that occurs after the President's budget has been submitted.

III. Coordination of OMB and OSD Planning During the Regular Budget Cycle

The Identity, above, illustrates the logical connection between OMB and OSD budget planning. If the nation is to have a sensible fiscal policy, the Defense Total carried to OSD ultimately must be reconciled with the Defense Total carried in OMB. Inasmuch as the starting point for budget planning in any calendar year is the last President's budget submitted to the Congress, both OSD and OMB processes start off at the same point, and with shared assumptions. Eleven-plus months later, before the next President's budget goes to the Printer, OMB and OSD again must have reconciled their more immediate plans for the Defense Total. In between, however, a considerable drift can and does take place between the two sets of figures. The drift occurs partly because OMB does not have access to internal OSD planning and guidance documents for substantial periods of time (January through May) and because the Fiscal Guidance issued by the Secretary of Defense reflects things other than a simple desire to have Defense planning take place in a context compatible with overall fiscal policy and domestic spending plans. In many respects the Fiscal Guidance in DOD reflects the Defense Total the Secretary of Defense wants to plan for.

Although there are important informational links among the OSD and OMB staffs, these are often insufficient coordinating devices, given some inevitable competition between the Secretary of Defense, the Director of OMB and the Assistant to the President for National Security Affairs. For example, it was Secretary of Defense Laird's practice to send a memo to the White House and OMB at the end of the summer, outlining what the Defense Department's needs would be in the upcoming budget.

> "In late summer of 1971, the OMB planning numbers for [Defense in] FY 1973 [in terms of budget authority] were something like $76 billion. OMB apparently expected Defense to come in asking for about $80 billion and to compromise at $78 billion. Instead, Secretary of Defense Laird came in saying that Defense absolutely needed $84 billion and couldn't get by with a penny less, forcing OMB to raise its estimate for Defense to $80 billion. The compromise occurred at $82 [billion]. The most optimistic, blue-sky calculations inside Defense had the budget at $80 [billion]."[9]

One need not argue the relative merits of an $82 billion versus a $78 billion budget to find fault with this procedure. From a logical point of view, of course, the debate was about the trade-offs involved in a $4 billion increment for Defense as opposed to non-Defense spending. There is no evidence that the decision on an $82 billion Defense budget was reached by weighing the relative merits of a package of Defense programs totaling $4 billion versus a package of domestic programs competing for the same amount. As this example illustrates, the way in which OSD and OMB budgetary processes are coordinated can greatly influence the timing and quality of "macro trade-offs" between Defense and domestic programs.

The planning figures for the FY 1973–75 "Defense Total" [10] implied at various stages in the parallel, OSD and OMB budgetary processes are given in Figure 3. A cursory examination shows that the figures are developed in different tracks. OMB is working primarily with overall fiscal policy targets on Outlays (expenditures) and OSD is working towards Total Obligational Authority (TOA) totals.[11] These figures should not be identical but, if OMB estimates of OSD plans were accurate, the curves would have roughly the same shape.

It should be noted that the "jump" in internal

[9]August 1974 interview with former aide to the Secretary of Defense.

[10]DOD-military functions and Military Assistance Program.

[11]The total Budget Authority (Appropriations) for any given year's federal Budget is different from the Outlays (Expenditures) because Budget Authority—authority for a federal agency to incur obligations—often extends over more than one year. The Outlays or expenditures resulting from a Budget Authority/appropriations decision for Military Procurement items, for example, extends for three years. Similarly, Outlays for such items can be made under Budget Authority for the current year or carried over from the prior two years. Total Obligational Authority, used for DOD decisions, is equivalent to Budget Authority, with some relatively minor financing adjustments. In the discussion that follows, we will simplify the discussion by referring only to "Outlays" and "Budget authority."

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OSD planning figures (solid line) that occurs in conjunction with Service Budget Submissions to OSD (Oct. 1) is often due to the factoring in of non-personnel inflation factors. Prior to service submissions, TOA figures are in terms of prices assumed in the last President's budget. Service submissions incorporate estimated non-personnel price increases provided by OSD (Comptrollers) and OMB.

The logic inherent in the Identity and the "bottom line" in overall budget planning is the logic of fiscal policy—there are considerations bound up in choosing "Total Federal Expenditures" that are not directly present in making choices about individual programs. Given the incalculability and noncomparability of many of the programs' benefits, without a constraint on the overall total, the natural tendency of any central authority in the face of program advocacy positions by bureaucrats and other interested parties is to provide more for all. "Virtues of scarcity" are achieved in budgetary decision-making simply because it is not possible to provide "more for all" without limit. Programs are forced to compete with one another within some overall constraint on a total. The *competition between domestic and Defense programs that derives from the Government's overall fiscal policy is muted by the fact that serious budgetary decision-making within OMB is working towards a different total than OSD, both in terms of decision units ("outlays" vs. TOA) and in terms of overall numbers used.*

The competition between domestic and Defense programs forced by overall fiscal policy is further muted by the imprecision in the relationships between outlays (or expenditures) and Budget Authority (or TOA). As a former Budget Director indicated, "The relationship between new obligational authority and expenditures varies. The conversion process is relatively simple for some programs. Others involve a great deal of negotiation—CCC (Soil Bank) is messy. In the Defense Department there is a great deal of room for maneuver—there are many NOA levels consistent with the given expenditure target." The reconciliation of "outlays" and Budget Authority is done only for the budget year. The relationship is a very loose one, and because budget analysts realize this is the case, agreements on "numbers" can be reached and conflicts about specific programs can be avoided or deferred. For example, an OMB official in the National Security Division estimated that outlays could vary as much as plus or minus 10% within a given Total Budget Authority (TOA) level and vice versa.

The direct and clear competition between domestic and Defense programs that the Identity would seem to provide is further complicated by the ways in which budgetary decision-makers view "Outlays" as opposed to their attitudes towards "Budget Authority." The operating agencies of the government (both domestic and Defense) focus on individual programs (e.g. a weapons system) and on authority for the collection of programs. Since Budget Authority amounts, in effect, to a deposit in the agencies' bank account for Outlays on programs over a number of years, agencies fight harder for Budget Authority than they do for a specific level of Outlays (expenditures) in a particular twelve month period. But as the fiscal clerk of the government, and since these outlays have major fiscal impact on the economy, OMB focuses on Total Outlays for the following year. As a result, OMB is normally willing to accept an agency's request for higher levels of Budget Authority to persuade the agency to accept a lower level of outlays for the next fiscal year. Budget Authority increases become the side payment used by OMB in getting agreement on desired levels of outlays. In the economic environment of the mid-70's, this strategy seems less appropriate. Government can no longer feel confident that federal revenues will grow faster than GNP and that low rates of inflation will permit dollars in future years to buy the programs authorized today. The extent to which expanding Budgetary Authority "mortgages the future," by severely constraining discretion on next year's Outlays must be recognized. That recognition must be incorporated in procedures for choice about both Outlays and Budget Authority. The current ambiguity in the relationship between the Budget Authority and Outlays is not without its political utility, as is suggested by the "side payments" hypothesis. As a former Budget Director described it, "The first Johnson budget involved a pretty explicit deal with Senator Byrd that he [Johnson] could have the tax cut if he kept the expenditures under $100 billion. It was there that Johnson learned to exploit the ambiguities between expenditures (Outlays) and NOA (Budget Authority). After that LBJ focused almost entirely on the expenditures game and gave up easily on agency requests for increases in NOA." [12]

In the 1960's when expanding federal revenues could be depended upon to generate a discretionary increment that would more than offset inflationary pressures, "giving in" on Budget Authority may have constituted a reasonable strategy.

To summarize, changes in aggregate fiscal and budgetary planning are in order for several reasons:

1. By "giving in" or compromising on Budget Authority in a given year, an Administration often is yielding discretion on future years' spending; this year's controllable expenditure is next year's uncontrollable.
2. The heart of the resource allocation process

[12]November, 1972 interview.

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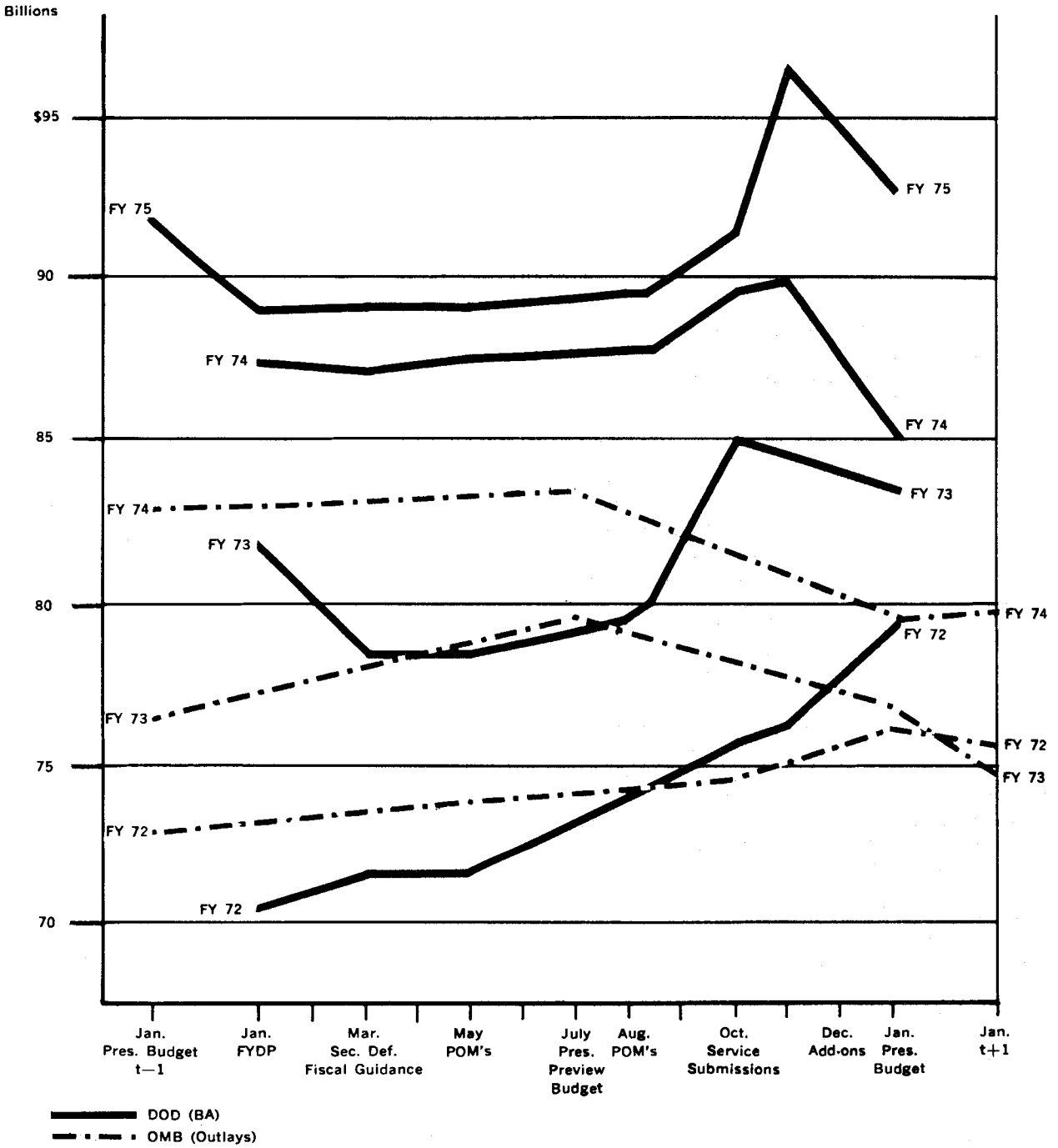
FIGURE 3.—DEFENSE TOTAL PLANNING FIGURES IN DOD AND OMB



Note: Cross-year comparisons invalid due to price changes.

is the competition created among programs resulting from limited total resources. In the long run the most effective form of control over programs is through Budget Authority. (The use of Total Obligational Authority (TOA) for planning in DOD is recognition of this fact.) Budget Authority decisions are not subjected to the same degree of competitive pressure as would exist if there were a constraint on the overall total for B/A. The availability of less tightly constrained B/A commitments tends to mute the competition among Outlays decisions forced by a fiscal policy constraint on total Outlays.

3. In an environment in which it is increasingly

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difficult to forecast economic and social conditions, preservation and creation of future discretion becomes relatively more important.

Recommendation 1: In the future, Government fiscal policy should be formulated both in terms of total federal Outlays and total Budget Authority for any given budget year.

Budget Authority and Outlays are important decision variables in their own right—Budget Authority represents long-range control over government spending and Outlays has the most direct impact on economic stabilization objectives. If the budgetary process is to be restructured to encourage more direct competition between the Defense and non-Defense components of federal spending involving explicit program trade-offs at the margin, the "competitive programs" must compete in the same units; the analysis of the marginal $10 Billion must be $10 Billion in Budget Authority. There are essentially three ways of sharpening the competition: (1) Cause OSD to make its principal budget decisions in terms of Outlays rather than TOA and to work towards an overall constraint on Outlays rather than TOA (2) Cause OMB to make its principal budget decisions conform to a constraint on Budget Authority totals rather than "total Outlays" (3) Express the government's fiscal policy in both "Outlays" and "Budget Authority" terms, forcing planning in both OMB and OSD to be conducted within overall Budget Authority and Outlay constraints. The third of these possibilities is recommended and, in addition to other virtues, is the most compatible with existing OMB and OSD decision systems and would be the easiest to implement.

Currently OSD is working towards a TOA total, making minor financing adjustments to Budget Authority and conversions to Outlays after the fact. While Outlay targets are given only for the budget planning year in OSD and two sets of figures are generally carried (again for the budget year only), Outlays are not a prominent part of the decision process.

In OMB although two sets of figures are carried throughout most of the process, for most years, only Outlay figures are constrained in terms of totals. In essence, Recommendation 1 would force OMB to pay more attention to the relationship between Outlays and Budget Authority and to choose Budget Authority figures compatible with an overall Outlay total. OSD, in turn, would be required to pay much more attention to Outlay totals and work towards a TOA target more closely tied to OMB and overall fiscal policy considerations.

In OSD, changes deemphasizing TOA would be difficult to implement (option 1), given the ten or so years it has taken to install TOA as the key metric of Defense budget decisions. TOA is a key element in the PPB system. Furthermore, a change away from TOA would be undesirable. The reason for switching Defense decision-making to TOA was that a Total Obligational Authority figure expresses total costs for major Defense activities over the life of the program. To have only an Outlay "bottom line" would signal a move back to the foot-in-the-door, $50 million weapon development expenditure for the budget year that in essence commits the Defense Department to a multi-billion dollar procurement schedule in future years.

Dropping a constraint on Outlay totals for OMB would make a (greater) mockery of fiscal policy as contributing to economic stabilization objectives. Over the course of budgetary decision-making for the past three decades, OMB has on several occasions focused not only on the Outlay total but on the Budget Authority total as well. Although the Budget Authority total has a much less direct relationship than an expenditures total to economic stabilization policy, it is the Budget Authority total that is most visible to Congress and that Congress affects. From the standpoint of OMB, Recommendation 1 would represent a marginal change. Fiscal guidance, in the form of appropriations and Outlay targets to all non-Defense agencies is already given in both terms. What would be required is explicit consideration of the Budget Authority *total* for other than "cosmetic" purposes. Also required would be additional attention at the budget analyst's level to the empirical and theoretically desirable relationship between Budget Authority and Outlays.

From the standpoint of OSD our proposal would also represent a marginal change in internal procedures. Fiscal guidance within which detailed program planning takes place is provided to services in terms of TOA figures for the budget year and for "outyears" (five-year plan) and Outlays for the budget year only. The Defense agencies are given TOA guidance only. Addition of Outlay fiscal guidance for Defense agencies and an earlier, more precise consideration of the Outlay total for Defense would be required.

A further set of reasons for the statement of federal fiscal policy in both Budget Authority (NOA) and Outlay terms within the Executive Branch is the Congressional Budget Reform Act. The principal reasons behind the Budget Reform Act stem from lack of Congressional discipline in controlling the overall budget. By considering only parts of the President's budget in an *ad hoc* manner in various appropriations sub-committees, the sum of the changes in the President's budget were never evaluated by the Congress in terms of their collective impact on total federal spending and on economic

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stabilization objectives. *In order for the Budget Reform Act to achieve its objectives, Congress must first calculate the impact of appropriations decisions on Outlays and then of "total Outlays" on economic stabilization policy objectives.* The relationship between Budget Authority (Appropriations) and Outlays is complex. But for any given program, the logic of the program implies desirable relationships. If the Congressional Budget Committee is forced to make Budget Authority-to-Outlay calculations, that fact in itself creates strong incentives for the Executive Branch to do likewise, to establish overall Budget Authority objectives, and to control their development in OSD and OMB budgetary processes.

Paying greater attention to the relationships between Outlay and Budget Authority figures and developing the components of the budget within reasonable overall limits on both makes it possible for better coordination in budgetary planning and would tend to encourage explicit macro trade-offs between Defense and non-Defense programs. It does not guarantee it. Current processes (see Figure 3) allow the OSD and OMB versions of the "Defense Total" to drift fairly far apart throughout the budget year. There is no formal reconciliation between OMB and OSD planning numbers for the Defense Total until the end of the year. The reconciliation of totals often leads to rapid and substantial changes in the Defense or non-Defense portion of the budget. The reconciliation almost always occurs with a Presidential-level settlement of the dispute about the appropriate Defense Total. The remainder then becomes the non-Defense Total. (Similarly, a shift in economic forecasts and/or fiscal policy also can bring about rapid shifts in OMB and OSD planning figures.)

Recommendation 2: A mid-year, formal reconciliation of OSD and OMB "Defense Total" planning figures would prevent serious disruptions in government-wide budget planning processes and allow for more carefully considered trade-offs among the programs in both Defense and non-Defense areas.

In essence our argument is identical to that supporting (re) introduction in 1969 of explicit fiscal guidance in DOD as part of Defense Secretary Laird's "participatory management" programs. Large organizations find it difficult, if not impossible, to make hard planning choices involving trade-offs without realistic constraints. Unconstrained budget submissions tend to be "wish lists" or, as Secretary Laird put it,

> Prior to the use of fiscal guidance it was common for the Services to request huge amounts each Fall—far above what could be expected or supported. It was then necessary in a short period of time to reduce these requests by very large amounts—by an average of $18.1 billion for the fiscal years 1966 through 70 budgets. Under the circumstances it was difficult if not impossible to develop a reasonably balanced set of budgetary requests (Presidential budget requests to the Congress). The request which emerged was, after all, the product of three hectic months of effort —the entire PPB effort for the preceding nine months would have been devoted to much higher requests.
>
> Last fall the net adjustment was about $1 billion. Wholesale adjustments were not necessary nor will they be necessary this Fall. We are devoting all our efforts to producing a well-balanced program within a realistic overall level; the budget which emerges will have a year's solid effort behind it, with the Services and Office of the Secretary of Defense considering jointly relative program priorities and making the major force in program decisions prior to the submission of final budget estimates in the Fall. *The OSD budget review can be devoted to refining prices, analyzing support program requirements and updating based on current program status. The budget thereby is more thoroughly scrubbed to remove lower priority requirements than ever before. We are convinced this approach produces a much better budget and a higher level of national security for any given level of spending than any prior systems.* [13]

Mid-year reconciliation of the "Defense Total" in both Outlays and Budget Authority (TOA) terms would reduce the magnitude of year-end OMB/OSD reconciliations and allow for more meaningful analysis of individual programs and the setting of priorities and programs.

The logical time for mid-year reconciliation of the "Defense Total" is during the OMB Spring Budget Preview and the OSD Issue Paper/Program Decision process immediately following the service and Defense agencies' submission of POM's (Program Objective Memoranda); See Figure 2. The requisite data on Defense and non-Defense programs are already assembled by OSD and OMB to fill existing decision process needs. The President, whose involvement is required for any effective decisions about Defense/domestic program trade-offs and levels, is already somewhat involved in budget issues in the context of providing guidance for the OMB Spring Preview. The "Troika" economic forecast and fiscal policy guidance is already scheduled to be made available at the appropriate time and, with the addition of Budget Authority totals, would be in the appropriate format. The Secretary of Defense, in managing the Defense PPB

[13] U.S. Congress, *Department of Defense Appropriation Hearings for FY 1972*, statement of Secretary Laird, p. 1146. Emphasis added.

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process, needs aggregate targets, however generated, in making individual program decisions.

Recommendation 3: The mid-year OMB/OSD reconciliation of the "Defense Total" should be made as part of the OMB Spring Budget Preview and the OSD Issue Paper/Program Decision stage in the four-week period from mid-June to mid-July and should involve explicit trade-offs between Defense and domestic program packages at the margin. [14]

We have argued that the principal source of discipline in the budgetary process is created by a constraint on the totals. Such a constraint forces hard choices among plans for component programs and examination of the relative merits of these programs. In addition, without the discipline of a budgetary process there would be no possibility for a workable economic stabilization and fiscal policy. There are two conditions under which "the virtues of scarcity" or budgetary discipline are the cause of some concern: (1) situations where the "total" changes levels rapidly and decisions on the component programs must be made without time to make adequate judgments about trade-offs between programs and (2) when decisions about components are made without reference to totals.

As was suggested above, allowing OMB and OSD planning figures for the "Defense Total" to drift apart is one cause of rapid and undesirable year-end changes in totals. Rapid shifts in fiscal policy are another occasion. In recent years especially, there have been considerable year-end budgetary "add-ons" reflecting last-minute changes in federal totals. For example, for the FY 1975 Budget between $1 and $1.5 billion was added to outlays for Defense during the last two weeks of December, and something in the neighborhood of $3.6 billion was added to TOA. What is at issue is not whether Defense should compete for increments to total federal spending established for fiscal policy purposes—they clearly should—but rather the timing and magnitude of the adjustments. Clearly, large changes in levels of spending in a short period of time make sensible program planning less likely.

IV. Coordination of Planning Outside Of The Regular Budget Cycle: Supplementals

Important adjustments to the budget occur outside the normal budget planning cycles leading up to the President's printed Budget Message. The President's budget is often amended before Congress begins to consider it and supplemental budget submissions occur after Congressional consideration, often well into the budget year. Assuming the President's budget represents a coherent fiscal policy, given the economic forecasts at the time of its submission, explicit attention should also be directed toward the *net* effect of proposed Administration adjustments (after allowing for the net effects of any Congressional actions). Justification of packages of spending adjustments should be offered in terms of shifts in either economic forecasts and/or in fiscal policy for the period following submission of the President's budget. Given our interest in creating pressures for meaningful comparisons among alternate spending programs in making budgetary choices, attention should be directed toward increasing the degree to which supplementals and budget amendments are weighed against a range of other proposed adjustments, as opposed to the current practice of considering amendments and supplementals piecemeal. In the context of the Defense budget, it has been charged that DOD has used supplementals as a principal means of obtaining budgetary increments, systematically avoiding the greater scrutiny given proposals during the regular cycle—scrutiny caused by a concern for Outlays totals.

For Defense, the timing of the introduction of administration-proposed increments to the prior year's Congressionally approved budget is shown graphically in Figure 4. While some supplementals are merely requests to the Congress for restoration of previous cuts in administration requests, most are not. The chart's message is clear. In recent years the majority of administration-proposed increments to the Defense Total have been outside of the normal budget planning cycles.

There are many *ad hoc* explanations for the existence of Defense supplementals. One is that budget planners simply do not have enough information about what is needed at budget time and wait until they are in a better position to know requirements. Secretary McNamara's use of supplementals to carry out the Vietnam buildup (FY 1966 amendment and FY 1967 supplemental) was (according to some participants) for cost control purposes. The budget was constructed during the regular budget cycle under assumptions that the Vietnam War would be over before the start of the budget year. Supplementals and budget amendments were then used to obtain the budget increment actually needed when better information was available. By financing the war through supplementals, McNamara was able to impose more effective central constraints (on the Defense Total) during the regular budget cycle and capture the "virtues of scarcity" that such a constraint implies.[15] Such a strategy also had advantages in terms of Presiden-

[14]The appropriate decision forum for making explicit Defense/domestic program trade-offs will be discussed below.

[15]Summer, 1974 interview with former OSD and NSC officials.

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tial politics. This strategy imposed considerable costs on budget planning in the Bureau of the Budget. In a very real sense, fiscal policy was forced to adapt to Defense spending pressures.[16] During the regular budget cycle, the BOB did nearly everything possible to hold down non-Defense spending and create an appropriate "wedge" for Defense spending by reserving most of the expansion in federal revenues for Defense.

Another factor in Defense supplementals is political opportunism on DOD's part. Just as a wide range of domestic agencies proposed and developed energy research programs in response to the "energy crisis," similar budgetary responses come from Defense when there is an international crisis. The "Mid-East Supplemental" to the FY 1974 Defense Budget is an excellent example. Some lessons of military value were learned in the Middle East War, when Israelis, using American weapons, met Arab forces using Soviet weapons. The FY 1974 supplemental was proposed to correct some of the more obvious deficiencies in the U.S. weapons arsenal. A portion of that supplemental was also used to replace U.S. equipment and supplies given to the Israelis during the war. Also included were funds to cover increased costs and a number of "get well" items designed to replace stocks or to bring inventories, weapons systems and elements of the U.S. force structure up to full strength and readiness. In an atmosphere of budget scarcity, one obvious way military organizations generate discretionary resources is to draw down inventories, defer maintenance and the like. After a period of time, the costs of such a strategy begin to be noticed. An international crisis creates an opportunity for DOD to make up for the results of a longer term, gradual erosion of "readiness." Finally, supplementals are also used as a way to respond to particular Congressional interests, when they are known.

The problems with excessive reliance on supplementals and amendments to the President's budget as a major source of change in the level and composition of the Defense budget are obvious in both fiscal policy terms and in terms of the sort of internal DOD review and analysis they are subjected to. Supplementals are examined, carefully, by the OSD (Comptrollers) budget analysts on the basis of feasibility, accuracy of prices and the like and generally are given a thorough "budget scrub." Those who specialize in policy and planning decisions in OSD, principally the Planning and Evaluation Staff (formerly Systems Analysis), generally ignore supplementals altogether.[17] Supplementals escape the kind of overall weighing of alternate programs that occurs during the regular budget cycle.

Policy prescriptions are reasonably clear: supplementals and administration-proposed amendments would benefit from being considered in the context of overall fiscal policy and should be subjected to as much competition with other programs for scarce resources as possible. Because few people are concerned with budget totals at the time supplementals are submitted, there is much less of a sense of restraint than exists in the regular budget cycle.[18] Supplementals should be lumped together, government-wide, and considered as a package, where the aggregate amount of supplementals proposed by the Administration are argued in the context of changes in federal revenue estimates and fiscal policy since submission of the President's budget. Essentially, the requisite information is available and the appropriate organizations are involved twice a year; at the start and in the middle of the fiscal year (June and December). First, the OMB Spring Budget Preview uses, as a starting point, the President's budget, updated to include Congressional actions, new legislative proposals and changing cost and expenditure information. Also available are updated economic forecasts and fiscal policy guidance. Secondly, when the President's budget for the next fiscal year is being finalized in November and December, the requisite information and organizations are also available.

Recommendation 4: In the interests of increasing discipline in the Defense (and non-Defense) budgetary process for a given budget after it has been submitted to the Congress, amendments and supplementals should be considered in two large packages, twice a year (July and January) and should be considered in terms of updated fiscal policy and transmitted to Congress as a single package, together with the updated, aggregate fiscal policy implications.

To some extent, it already is the practice to submit a group of supplementals for a current fiscal year concurrently with the President's budget for the next fiscal year; e.g. the FY 1975 President's budget contained the FY 1974 supplemental for Defense. Needed is a more *explicit consideration of the fiscal policy implications of the package of supplementals.* The kinds of organizational routines that exist to deal with the overall Federal Budget can and should be employed to deal with "packages" of *increments* to the Budget and to Fiscal Policy.[19] As recent eco-

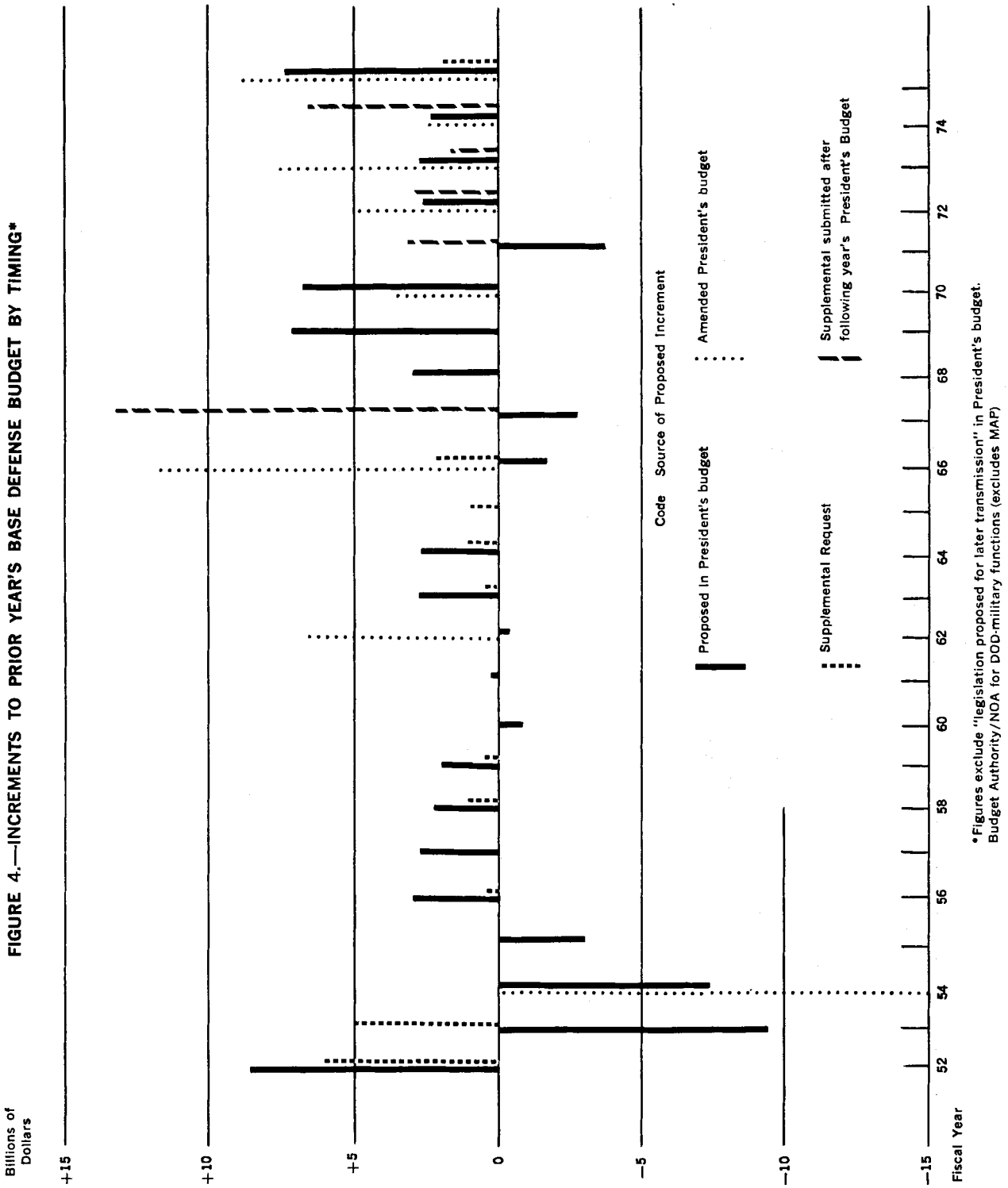
[16]Private communication with Dr. Gardner Ackley, former Chairman, CEA.

[17]Former OSD and NSC staff member, Summer 1974 interview.

[18]NSC and OMB officials, Summer 1974 interviews.

[19]Involving the "Troika," Office of Budget Review and Program Divisions and the Fiscal Analysis Office in OMB, OSD and a Presidential-level determination of the appropriate Defense/Domestic split of the *increment* (plus or minus) to total government spending targets.

FIGURE 4.—INCREMENTS TO PRIOR YEAR'S BASE DEFENSE BUDGET BY TIMING*



*Figures exclude "legislation proposed for later transmission" in President's budget. Budget Authority/NOA for DOD-military functions (excludes MAP)

nomic conditions demonstrate, desirable adjustments to the President's budget can signal either decreases or increases in desired total Federal spending to be distributed over all federal programs. On the domestic side (in OMB) it is common practice to go through mid-year "ratcheting" exercises employing budget examiners in all Program Divisions, when the total Federal Budget must be tightened down or reduced by some amount due to a change in fiscal policy or economic

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conditions. Recommendation 4 is simply that this procedure more directly incorporate Defense and that it also be applied to positive increments—amendments and supplementals.

Failure to explicitly consider the impact of supplementals on fiscal policy and the economy can, where the supplementals are large, have serious detrimental effects as the inflationary pressures created by the large Vietnam supplementals for FY 1966 and 1967 so vividly demonstrated. Whatever the national security virtues of these supplementals were, they were at least partially offset by the disruptive effects they had on the economy. Explicit debate on the economic policy implications of the Vietnam supplementals, indeed all supplementals, should have been more prominent in the process.

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The Defense Total and the Defense/Non-Defense Trade-Off

As we have argued above, the logic of fiscal policy determines that a decision on the Defense Total implies a certain set of trade-offs with non-Defense programs. A highly desirable feature of Defense planning and budgetary processes, given the absence of any absolute criteria or procedure for determining the appropriate size and shape of the Defense budget, is that there be an explicit trade-off between Defense programs, at the margin, and non-Defense programs (including tax programs), again at the margin, in choosing a total for the Defense budget. The marginal $5 or $10 billion in Defense programs should be explicitly considered in comparison with a marginal $5 or $10 billion in non-Defense programs and an explicit choice made. Current procedures for arriving at the Defense Total in the President's budget are not now characterized by explicit Defense/non-Defense program trade-offs; rather the decision is made more in the form of bargaining within overall fiscal policy constraints between OSD and OMB, with the President's National Security Advisor arbitrating the outcome. Historically, this has been the pattern for determining annually the Defense Total.

In this section we propose establishment of a staff unit charged to prepare for the President analyses of marginal, Defense/non-Defense program comparisons and their implications. This function should be established somewhere in the Executive Office of the President. Several options are explored: location within OMB; as an adjunct to the Domestic Council; as a similar staff in a new executive agency for longer-run economic analyses and budgetary planning; or as an expansion of the Council of Economic Advisors. The preferred organizational location of such a staff is one that would guarantee Presidential consideration of the results of trade-off analyses. The need for the function is the important point. Its organizational location in the Executive Office of the President should be dictated by the way in which a President has organized his staff and the Office of the President and by the relative access of principal advisors to the President.

I. Current Defense/Non-Defense Trade-Offs

Two groups in the federal government need a relatively specific "Defense Total" in order to perform necessary budget and planning functions: the Office of Management and Budget for assembling the President's budget for non-Defense agencies consistent with an overall fiscal policy and the Office of the Secretary of Defense to assemble the Defense portion of the President's budget. Because of this the Director of OMB will always have a "position" on the Defense Total and so will the Secretary of Defense. As we have seen (see Figures 2 and 3), while the OSD and OMB positions on the Defense Total reflect the same general considerations (forecasted federal revenues and fiscal policy, known administrative expenditure commitments and estimates of uncontrollable expenditures), they are generated somewhat independently and the relevant factors are weighted differently.

In addition, both OMB and OSD to some degree anticipate negotiations with the other in arriving at the "final" Defense Total in the President's budget.[1]

The current mechanism for determining the Defense Total is one of loosely structured bargaining within the overall fiscal constraints. While occasionally the Joint Chiefs of Staff may have an independent position on the Defense Total, inevitably higher than the Secretary of Defense's, their participation in the negotiations over the final number is either in the context of a bargaining chip for the Secretary of Defense or as part of a strategy on the part of the Secretary to persuade the services to accept the outcome of the

[1]Although as our analysis of post-President budget adjustments indicates, the "negotiated settlement" on the Defense Total that appears in the President's budget is often temporary.

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negotiation.[2] Bargaining over the Defense Total is often complex and the details vary from year to year, reflecting changes in personalities involved in the negotiations, the access of various individuals to the President, the fiscal realities on both the expenditure and revenue sides, and the focus of the actors' attentions.

In peacetime, OMB-OSD-White House bargaining takes place within the context of overall fiscal policy constraints. The range of possible positions that the Director of OMB can take is constrained by commitments to domestic programs. The plausible positions of the Secretary of Defense are constrained by his relationships to the services and professional military establishment. What is the minimum number a Secretary of Defense can argue for and still keep the Joint Chiefs "on board" or at least not unified in their opposition to the Secretary? This layering of constraints generally produces bargaining for the Defense Total within a narrow range.

The question is not whether OMB and OSD will have independent positions on the Defense Total—they always will—but rather how these positions are reconciled. If the agreement on a Defense Total is to be based on an explicit trade-off between alternate Defense and domestic programs, the timing of the reconciliation is of crucial importance. If the decision on the Defense Total is made too late in the process, it will not be possible for the decision to be informed by systematic and detailed examination of alternate programs or for subsequent budget planning to be guided by it. This report has recommended that the OMB and the OSD numbers for Defense be coordinated in the context of the Spring Budget Preview in OMB (June-July) and at the beginning of the program decision process in OSD (June-August).

Recommendation 5: Recommended reconciliation of OMB and OSD numbers for the Defense Total should reflect explicit decisions about Defense and domestic programs, at the margin. For this reason the major reconciliation should be accomplished in mid-summer, so that resultant program decisions can be incorporated in the detailed budget planning in OSD and OMB. The necessary Presidential participation in the reconciliation process should coincide with existing procedures for the briefing of the President on fiscal and budgetary issues and the obtaining of Presidential guidance in the OMB Spring Budget Preview.

Ultimately a determination of the Defense Total depends on Presidential involvement in some form. Whether it is the President and his Budget Director transmitting decisions on the Defense Total to the Secretary of Defense and the Joint Chiefs (Truman), the President making the decision himself (Eisenhower), a *de facto* delegation of authority to the Secretary of Defense on the assumption that he will utilize a "Presidential perspective" (Kennedy and Johnson with McNamara) or the use of a trusted advisor to adjudicate the differences between a Budget Director and Secretary of Defense (Nixon/Kissinger and Mayo/Schultz/Weinberger /Ash and Laird/Schlesinger), Presidential authority is a key element in the bargaining process. On the basis of a detailed examination of annual determinations of the Defense Total from FY 1950 through FY 1975, the importance of the President or his agent cannot be overemphasized, both as it influences the outcome and the nature of the bargaining process. The policy context of year-to-year bargaining on the Defense Total is generally established early in any administration.

Historically, major shifts in foreign policy, national security policy, strategic doctrine and force posture goals generally take place during the first year of a new administration. Not surprisingly these shifts are greater when there is a change in the political party controlling the White House. After the first year, adjustments to Defense and domestic programs occur more gradually, are made in the context of fiscally constrained bargaining outlined above, and represent adaptations to shifts in the external environment. In examining ways to improve the process of making macro Defense/domestic trade-offs, it is useful to think of institutional arrangements which could improve the quality of the major first-year reexaminations of Defense and non-Defense activities in addition to arrangements for improving the quality of the more routine, annual resource allocation processes of OMB and OSD.

II. Possibilities For Macro Analysis of Defense/Non-Defense Trade-Offs: NSSM 3

In 1969 President Nixon and Assistant for National Security Affairs Henry Kissinger decided to undertake a major review of the United States force posture. The directive for the review was National Security Study Memorandum 3, issued by the National Security Council. Part of the NSSM 3 study consisted of making trade-offs between expenditures for national security and domestic purposes. The NSSM 3 study was staffed principally by OMB budget examiners with the addition of a few people from the Office of Secretary of Defense (Systems Analysis). The NSSM 3 study staff, in the aggregate, was very familiar with the details of a broad spec-

[2]See "The Battle of the Potomac," Chapter 3, in L.J. Korb, *The JCS and the Defense Budget*, unpublished Ph.D. dissertation.

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trum of federal Defense and domestic programs. The study resulted in a coherent presentation of major macro budget issues and, in its broadest sense, outlined a range of possible Defense/non-Defense trade-offs.

In the NSSM 3 report, aggregate estimates of federal spending totals were made, based on economic forecasts and a "full-employment revenues" fiscal policy. Major Defense strategies and their associated force posture designs were listed as alternatives and were costed out in a macro sense. Examples of alternatives were maintenance of general purpose forces sufficient to fight 2½ wars vs. 1½ wars. The various budgetary increments implied by alternate Defense postures were used to generate a list of domestic program possibilities—including tax cuts—at various budget levels. The major domestic options were then ranked by the budget examiners and placed in five broad categories with different priorities.

The results of NSSM 3 had an important impact on subsequent National Security Council decisions on strategic and general purpose forces. The impact on the domestic programs was minimal. The reasons for this are worth exploring. General priorities for domestic program increments were set by having each of the staff analysts (from OMB) list programs as candidates for elimination. The larger list collected from OMB analysts was predictable. It consisted of well-known "dogs": SST, farm price subsidies, (CCC), Manned Orbiting Laboratory and maritime subsidies. The candidates for cuts were programs where results of an "economic analysis" indicated elimination but where "political analysis" would find elimination impossible. The domestic side of the analysis was less informed by the concerns of those who would have to implement study recommendations than was the national security side of the study. The original NSSM 3 study directive listed the major force posture alternatives to be examined (a loose test of political feasibility) and the broad foreign policy/national security policy assumptions to be used. There was no comparable direction given to the domestic part of the analysis.

The lessons of a NSSM 3 type of comprehensive, macro analysis are several: (1) A broadly based analytic effort focusing on macro budget issues is possible. (2) Analytic efforts aimed at major reexamination of Defense/domestic trade-offs can have considerable impact on subsequent resources allocation if the analysis incorporates guidance of the President and major policy-makers on both domestic and foreign policy/national security issues. (3) It is necessary that analysts who staff the study be familiar with the details of the programs they are evaluating; this would seem to imply that staff either be recruited from or have previously been employed in OMB and OSD. The principal recruitment population would seem to consist of the OMB program divisions and the OSD (Comptrollers) and Office of Program Analysis and Evaluation.

III. Possibilities For Macro Analysis Of Defense/Non-Defense Trade-Offs: The DPRC

Following his inauguration in 1969, President Nixon moved quickly to strengthen the National Security Council as a policy-making and planning mechanism. The revamped National Security Council system led to the establishment of a series of special inter-agency committees that reported to the full National Security Council on topics requiring specialized knowledge. From the standpoint of the Defense budget, the NSC Defense Program Review Committee (DPRC) is most relevant. "This group reviews at the Undersecretary level, the major Defense policy program issues which have strategic, political, diplomatic and economic implications in relation to overall national priorities." [3] DPRC membership consists of the Assistant to the President for National Security Affairs as Chairman (Kissinger), the Undersecretary of State, the Deputy Secretary of Defense, the Chairman of the Joint Chiefs, the Director of OMB, the Director of Central Intelligence and the Chairman of the Council of Economic Advisors. Others are added on an *ad hoc* basis depending on the topic under discussion. The Committee was set up to "control the Defense posture" and to "review major Defense fiscal policy and program issues in terms of their strategic, diplomatic, political and economic implications" and to advise the President and the National Security Council.[4]

Certainly the objectives of the DPRC are consistent with the notion that major Defense and domestic budget decisions ought to be made in terms of overall, national priorities and involve explicit program trade-offs. Yet, most observers agree that the DPRC never really functioned as intended and thereby illustrates many of the difficulties in implementing our proposals for explicit trade-offs. Partly this was because the major bureaucratic actors concerned with the Defense budget had quite different interests. Problems with DPRC functioning stem partly from the differential expectations of the major participants. In the early years, the DPRC's deliberations often became entangled in the maneuverings between Kissinger and Secretary of Defense Laird, both of whom were competing for in-

[3] Richard M. Nixon, *US Foreign Policy for the 1970's: A New Strategy for Peace*, Report to the Congress, Washington, D.C., February 18, 1970, p. 20.

[4] *Ibid.*, p. 116.

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fluence in the Nixon Administration. Observers theorize that Kissinger, at the time, was seizing Secretary of State Rogers' mandate and was reluctant also to confront Laird directly. A DPRC chaired by Kissinger seemed to relegate Laird to a subordinate role. Because of his unwillingness to challenge Laird publicly, Kissinger did not use the DPRC with the same intent and intensity that he demonstrated on other NSC study panels where he was more clearly in charge. Again, as observers theorize, Kissinger and then-OMB-Director George Schultz, saw the DPRC as potentially allowing them to exert greater influence over major weapons system decisions in the Defense budget than would otherwise be possible. Later, when the DPRC began to function, Schultz saw the DPRC as a device that allowed Kissinger and, to a lesser extent, Secretary Laird to become involved in the domestic budget—illegitimately, in Schultz's view. Although Laird somewhat feared Kissinger's encroachment on Defense matters through the DPRC, he also saw the DPRC and the National Security Council as a more favorable forum for considering the Defense Total than other mechanisms which were possible.[5]

NSC staffers assigned to the DPRC felt that DPRC, aggregate-DOD-budget studies had a limited direct impact. Although the studies did result in keeping Kissinger and the President much better informed on Defense issues than they otherwise would have been, former staffers felt that, throughout, the size of the Defense budget and other major issues related to that budget were resolved in the conventional fashion: high-level bargaining among the Joint Chiefs, the Secretary of Defense, the President and Kissinger.[6] It was also generally felt that OMB's influence on the Defense budget is limited and operates only through the Defense Total. "They [OMB] generally entered the process too late to have any impact on substantive issues." [7]

Bargaining about the size of the Defense budget was conducted throughout the Nixon Administration with the expectation on the part of the President and Kissinger that the U.S. would be involved in important, high-level negotiations with the Russians. They saw the size of the U.S. Defense budget as an important instrument in those negotiations. Whether the non-Vietnam Defense budget was going up or going down, and at what rate, seems to have mattered more than actual military capabilities obtained by the Defense budget. The Defense Total itself had important symbolic meaning.

[5]Reports of the perception of the DPRC by major actors were obtained in eight interviews with former and current OSD, OMB and NSC staff members. The perceptions reported here were obtained from a minimum of three sources.

[6]Interviews with three former NSC staff members, July and September, 1974.

[7]August 1974 interview, NSC staff member.

The President and Kissinger exhibited considerable interest in the Defense Total and consistently adjudicated the OMB and OSD "numbers" so that the result ended up on the high side. It is also clear that they were not much interested in the details of the Defense budget or in major weapons system decisions—at least not interested enough to mount major challenges to DOD positions. Without Presidential interest, involvement and backing, people outside the Defense Department find it nearly impossible to adequately analyze or influence the details of the Defense budget. Policy mechanisms like the DPRC work only if Presidential authority is applied. Even then success is not certain.

A. Major Options for Structuring Defense/Domestic Trade-Offs

An implicit Defense/domestic trade-off will be made annually regardless of precise organizational arrangements. At issue is whether it will be based on explicit comparison of alternate Defense and domestic programs, at the margin. Organizational arrangements can generate and structure information appropriate to a certain mode of decision-making but cannot insure its utilization in the choice of the Defense Total; the choice is a Presidential one and the President is in the best position to insure implementation. The organizational issue then is the forum in which Defense and domestic program information is presented and how analysis and information is generated. Four possible arrangements are, briefly:

- *Current OMB/DOD advocacy system:* OMB and OSD present recommendations for a Defense Total in two or three Defense and domestic program packages, respectively, to be traded off at the margin. The President or a chief advisor adjudicates the differences in positions, such that overall fiscal policy constraints are met.
- *OMB option:* OMB as part of its normal, internal budgeting process makes a tentative allocation to Defense, subject to Presidential approval, in a manner similar to that employed in making "trade-offs" among various competing domestic programs. Defense becomes merely another part of the overall President's budget and Defense/domestic trade-offs are made in the context of trade-offs between budget totals for the four OMB program divisions (National Security and International Affairs; Human and Community Affairs; Economics and Government; Natural Resources, Energy and Science). This option would require strengthening the program planning capabilities of the National Security Division in OMB and its

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much earlier involvement in ongoing OSD planning processes. Like other agencies, Defense would have the right to appeal OMB recommendations to the President.

- *A revived and expanded DPRC:* The key difference between an expanded DPRC staff operation and an OMB/DOD advocacy system is that a DPRC staff could generate an independent position on the Defense program. A specification of "marginal" Defense programs (candidates for a cut of, say, $5 billion or an expansion of $5 billion) by the DPRC would be more likely to include programs a President would be willing to reduce or eliminate rather than those the Pentagon thinks would compare favorably with domestic programs, thereby avoiding net reductions in the DOD budget. The DPRC would have to add an analytic capability for domestic programs. A DPRC staff recommendation would not merely be the sum of two partisan options (OMB and OSD).
- *Independent White House Analytic Staff* with prime responsibility for macro resource allocations. This is essentially the DPRC option with a more explicit domestic balance and reporting either directly to the President or to a more balanced Cabinet-level committee than the National Security Council. One can envision several locations in the White House staff system: (a) a joint creature of a strengthened Domestic Council and the National Security Council (b) as staff for the Cabinet or reporting to a Cabinet-level committee without the strong National Security orientation of the NSC (c) by adding a significant component to the Council of Economic Advisors for the analysis of budgetary issues, or (d) a new executive agency for combined, long-range macro allocation and economic policy analysis and planning, located in the EOP and reporting directly to him.

The principal deficiency in the current DOD/OMB advocacy option is the tendency for the Director of OMB and Secretary of Defense to act as two "partisans," each offering up as items for trade-off decisions (cuts) those programs the President is least likely to reject. The OMB National Security Program Division can generally be expected to support most Defense programs within OMB. In competition with other program divisions, a Secretary of Defense is generally forced to be a DOD partisan, encouraging an OMB Director to argue the non-Defense side. An important shortcoming is that the information and analyses provided the President are developed in normal bureaucratic channels. To the extent that bureaucracies have interests of their own, distinct from those of the President or the rest of the government, considerable gaps in the information provided to top-level decision-makers are likely. At a lower level, it is clear that the Air Force, for example, left to its own devices, would mostly propose expensive aircraft, the Army, tanks and additional divisions, and the Navy more aircraft carriers. President Eisenhower's description of the problem of what happens when bureaucracies are left to their own devices is appropriate:

> Words like "essential" and "indispensable" and "absolute minimum" become the common coin of the realm and they are spent with wild abandon. One military man will argue hotly for a given number of aircraft as the "absolute minimum," and others will earnestly advocate the "indispensable" needs for ships, tanks, rockets, guided missiles, or artillery, all totaled in numbers that are always called "minimum." All such views are argued with vigor and tenacity, but obviously all cannot be right.

The problem, from a Presidential perspective then, is how to make judgments between arguments made in terms of the values and objectives of component bureaucracies. If there are constraints on total federal spending, somehow judgments must be made. They can be made arbitrarily through some proportional allocation of "numbers" or they can be made on the basis of an analysis of the details of the arguments in support of various programs. It seems, however, that one cannot depend on component bureaucracies to make their individual arguments in the context of the larger considerations which the Defense/domestic split should reflect. The current DOD/OMB advocacy process (with Kissinger the arbitrator) is not well designed to place the appropriate program items on the choice menu.

Shifting prime responsibility for the Defense budget to OMB makes eminent sense from a theoretical point of view. OMB is the one existing agency in the government with responsibility for an overall perspective on fiscal policy and budgetary issues and already has in place procedures for making macro-resource allocation decisions on the domestic side. Presumably the OMB initial position on the Defense Total similarly reflects a macro-resource allocation perspective. The feasibility of this move, however, is uncertain. The current Secretary of Defense, James Schlesinger, once expressed a desire for increased OMB involvement in Defense Budget issues. This occurred while he was head of the National Security Division of OMB. His perspective has now changed, reflecting to some extent conditioning by the political realities of the Pentagon. Defense Department opposition to the

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DPRC provides a clue to the likely Defense attitude toward an assignment of more authority to OMB over the Defense budget. "DOD opposition to the DPRC . . . (was) because the DPRC tended to get involved in decisions Defense thought was their exclusive province. Effective DPRC intervention in Defense affairs took Henry Kissinger's active interest and participation." [8]

There are limitations inherent in each of the organizational arrangements posed. The long tradition of DOD's relative autonomy with respect to the details of the Defense budget, as opposed to its overall level, is the source of the greatest difficulties. There are arguments on both sides of the Defense-autonomy issue. It is not clear, for example, whether Secretary McNamara's attempts to establish greater external control over the details of the Defense budget did more harm in the form of military resistance than good. Clearly, a more systematic approach to the Defense/non-Defense trade-off is desirable. At the same time Presidential involvement and backing will be required to carry it out.

The current OMB/OSD advocacy system is less desirable than some form of independent consideration of the marginal $5 billion (or so) in the Defense/non-Defense trade-off. Whether that independent agency is OMB acting with greater authority over the Defense budget, an expanded DPRC, or an independent executive agency in the EOP is far less important than the establishment of the function itself—a periodic NSSM 3 exercise, done on a smaller scale with a permanent staff. Both NSSM 3 results and the annual Brookings budget analyses suggest that, intellectually, the task is feasible. Implementation will require a Presidential commitment.

Recommendation 6: Organizational arrangements and procedures should be established for longer-range analysis of macro-resource allocation decisions and careful staff work on explicit decisions about the trade-off between Defense and domestic program packages, reflecting relative priorities of foreign policy/national security goals versus domestic goals and the relative costs and effectiveness of programs in the two spheres, as well as public versus private spending. Perhaps the most desirable mechanism would be assignment of this function to OMB and a requirement that the director of OMB chair an interagency study like the NSSM 3 study undertaken at the outset of the Nixon Administration. Alternative arrangements would include the establishment of a new White House staff reporting to a cabinet-level oversight committee for macro-resource allocation; a similar staff in a new executive agency or committee for longer-run economic analysis and management; or a similar staff as part of a staff for the cabinet.

An analytic staff with a charter from such a committee can use that charter to do very different sorts of things than are possible in normal bureaucratic channels. The kind of intellectual capital that such a staff could create for the Presidency is hinted at in the experience with NSSM 3. The recommended analytic staff would make two reports each year, one toward the end of the Spring Budget Preview, coinciding with the Office of Secretary of Defense program-decision period, and the other in mid-December, coincident with the finalizing of the President's budget. The staff reports would lay out trade-offs possible at the margin either for direct Presidential decision or for generating recommendations through an oversight committee. The President would then provide explicit guidance for agency appropriation targets sent out at the conclusion of the OMB Spring Budget Preview, the program decisions made by the Secretary of Defense and, in December, for the President's budget itself.

Recommendation 7: During the first year of every administration the staff recommended above, wherever located, should be temporarily expanded to include personnel from other related agencies for the purposes of conducting a major reexamination of macro-resource allocation policies (tax policy, fiscal policy, and budgetary policies) for the new administration.

New administrations invariably consider some form of sweeping review of major security and domestic policies and programs. NSSM 3 was the occasion for the Nixon Administration's reexamination of priorities and the Fitzhugh Blue Ribbon Defense Panel examined DOD operations. The Kennedy Administration had a series of task forces working on economic stabilization policy, tax policy, and Defense organization. Much of the early agenda of an active Kennedy CEA was provided by the Samuelson Task force. The new Secretary of Defense, Robert McNamara, conducted his own internal review of the nation's military posture. (Generally) it is during the first year of a new administration that more radical alternatives to an existing military force structure are examined; the existence of a base of expertise and informed analysts (Recommendation 6) to undertake an examination of more administration options would be of enormous benefit at this time.

[8] Former NSC and OSD staff member, August 1974 interview.

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The Shape of the Defense Budget: Internal DOD Resource Allocation Processes

Within overall Defense Totals, the shape of the U.S. Defense budget, whether measured in terms of resources allocated to programs or to services, has shifted somewhat over the years as has overall strategic doctrine. As Figures 5 and 6 suggest, the Eisenhower "massive retaliation" doctrine was accompanied by larger budget *shares* for the Air Force and Strategic Programs. The Kennedy/Johnson "Flexible Response" and Assured Destruction doctrines were accompanied by a relative budget shift toward General Purpose Forces, without much real change in service budget shares until the Vietnam buildup. The Nixon Administration seems to have, in the large, continued the force posture inherited from the Johnson Administration, with some increases in Research and Development. Other than a minor shift in resources toward General Purpose Forces, due primarily to greatly increased manpower costs, and substantial increases in OSD/Defense agencies and other "overhead" activities, financed in large measure by reduced Strategic Forces commitments, major program shares have stayed relatively constant (Figure 5).

At any given time, political and economic limits on Defense expenditures exist. The question of whether budget limits drive strategy and force posture, or the reverse, is an empty one when it is recognized that an effective defense strategy must reflect domestic priorities and economic stabilization policy as well as strictly national security considerations. As Secretary of Defense Schlesinger argued before the Jackson Subcommittee on National Security in 1968,

> The vital point is the way in which budgetary limits may control force posture and therefore strategy. Shifting sands seem the best way to characterize the strategic rationales of recent years. [For example,] In 1961 the suicidal implications of massive retaliation were underscored; the United States would be faced with a choice between humiliation or holocaust. Interest then developed in damage-limiting and coercion. But there has been little willingness to invest money in either. Since 1965 the merits of Assured Destruction have been emphasized—with little attention paid to the suicidal implications found so distressing in prior years. The principal rationale for . . . Assured Destruction reflects certain recently-developed notions of arms control [which suggest] . . . a strategy of measured response to any Soviet buildup with a long-term objective of preserving U.S. Assured Destruction capabilities. One should note, however, that to accept this particular guide to action implies that the buildup of the MINUTEMAN force in 1961–62 was a mistake.[1]

The relationship between the actual Defense force posture and the strategic rationale offered is often weak. The connection between overall budget limits and strategy may be stronger.

> May one infer that the oscillations in strategy have something to do with budget limits, or in this case something more specific: a preconception regarding how much this nation should spend on the strategic forces? I find the conclusion irresistible. The evidence antedates the current [U.S.] phasedown in the face of the Soviet buildup. Once again, these [decisions] lie within the decision-maker's prerogatives, but particular beliefs regarding the budget limits or the "adequacy" of specific strategies should not be attributed to, much less blamed on, analysis.[2]

[1] James R. Schlesinger, "Uses and Abuses of Analysis," Memorandum prepared at the request of the Senate Subcommittee on National Security and International Operations, 1968, p. 9.

[2] *Ibid.*

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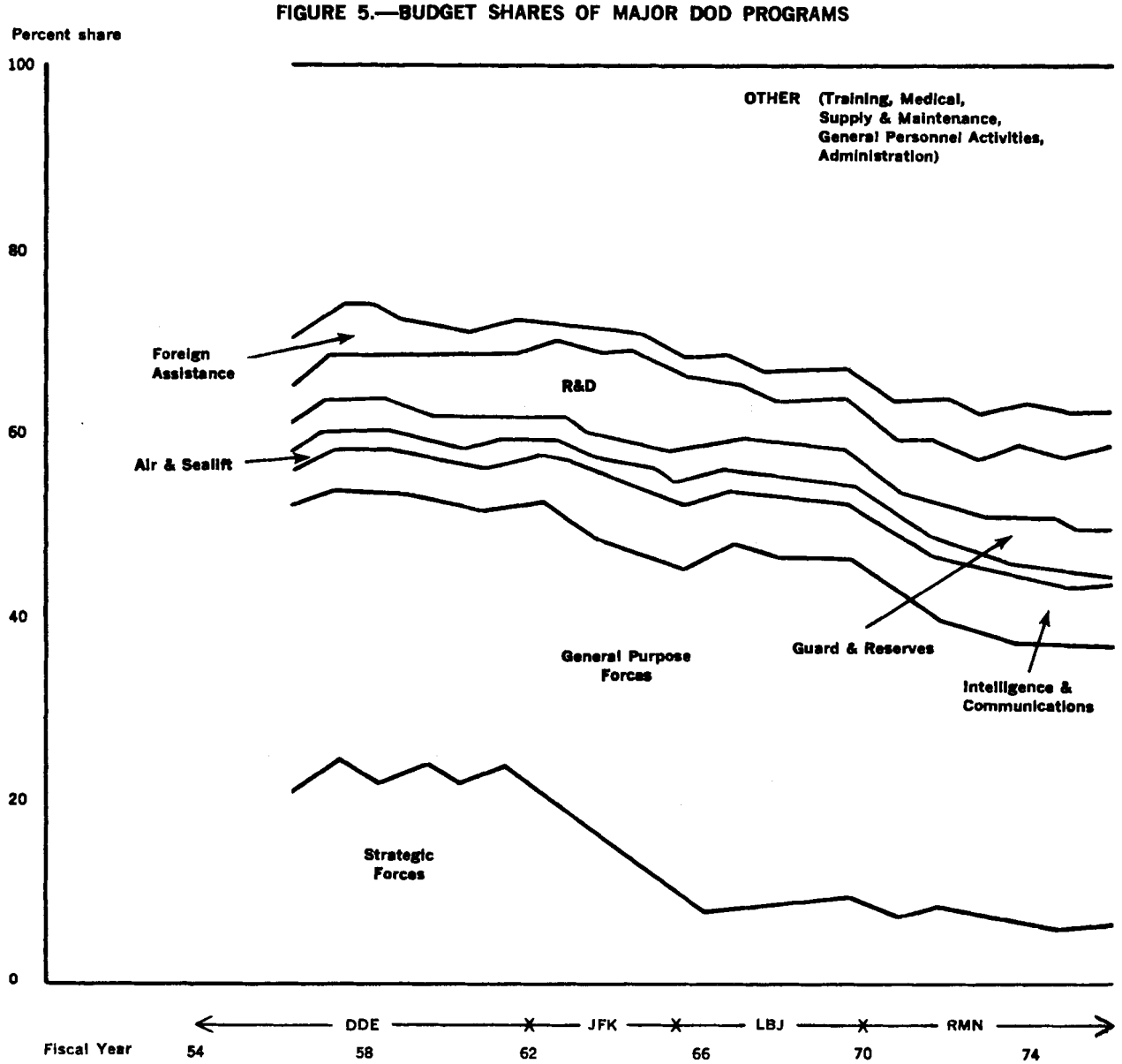
FIGURE 5.—BUDGET SHARES OF MAJOR DOD PROGRAMS



I. Intra-DOD Resource Allocation Problems: The Analytic Problem

There is an underlying logic to the problem of determining the appropriate size and shape of U.S. military forces. That logic stems from the necessity of having adequate forces to deal with a nuclear war with the Soviet Union or China as the only conceivable adversaries, as well as forces adequate to deal with possible conventional wars.

The objectives and desired capabilities of U.S. nuclear, Strategic Forces are reasonably clear: they should be sufficient to survive a first-strike by the Soviets and deliver a counter strike on the Soviet Union sufficiently large to deter the Soviets from striking the U.S. in the first place. The principal questions highlighted in this framework concern the number and capabilities of Soviet strategic forces, the capabilities of U.S. strategic defenses, the survivability of existing U.S. Strategic Offensive Forces under a Soviet first strike, the performance and cost characteristics of proposed additions to the U.S. strategic arsenal, and the mix of targets in the Soviet Union (population, industry, military) necessary for Assured Destruction or deterrence. While there is considerable debate about the details, the overall logic of "strategic sufficiency" or "assured destruction" is fairly widely accepted. In terms of planning for and designing an appropriate U.S. force posture, "Strategic Forces" constitute

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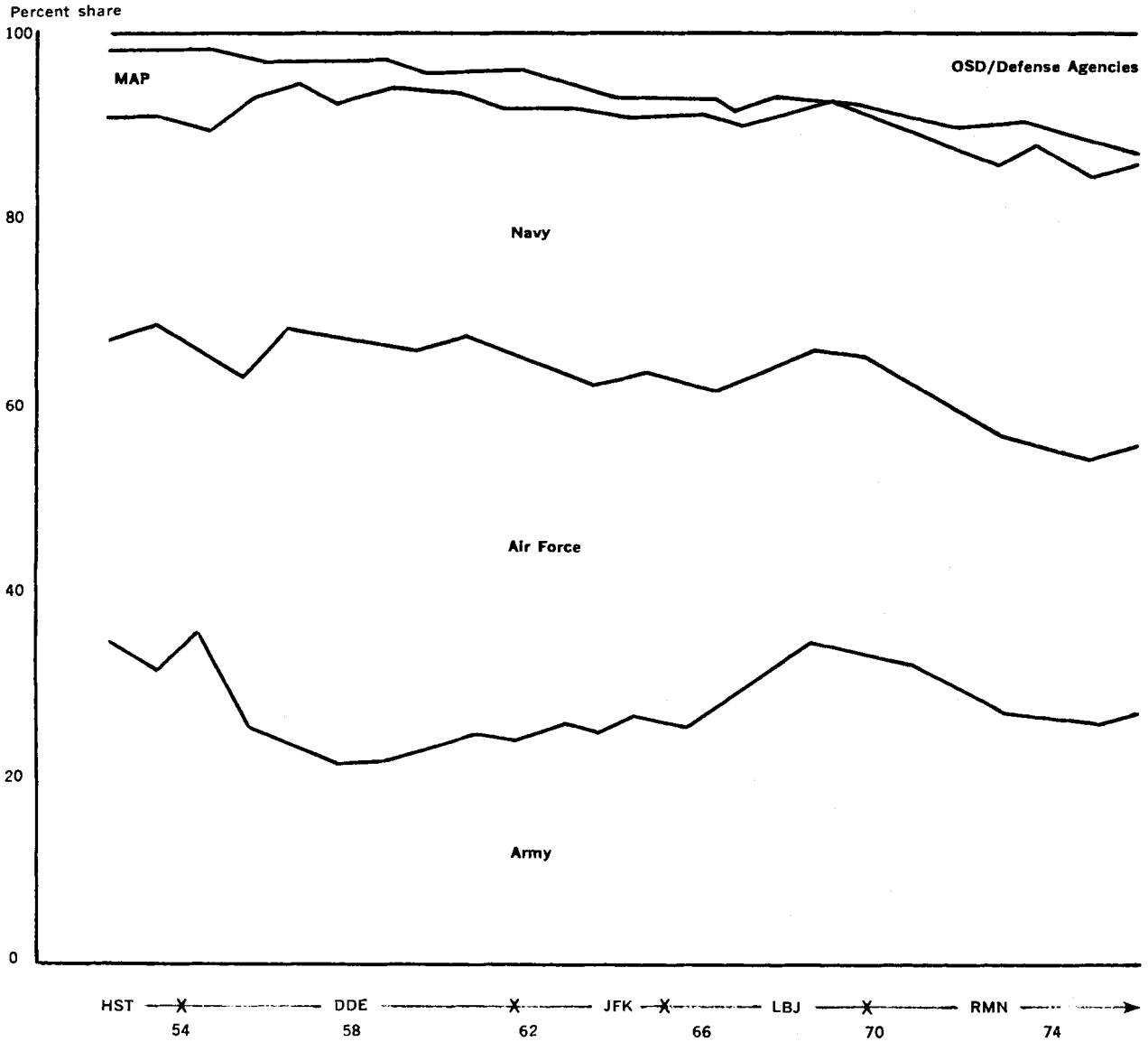
FIGURE 6.—SERVICE BUDGET SHARES



the easiest component: the logic of the problem is simpler (one opponent, an objective that is reducible to technical debate, in large measure) and the logic is such that the range of plausible outcomes under a variety of informational assumptions is limited, and, under a variety of assumptions, severely diminishing marginal returns to force size are easily demonstrated.[3]

Unfortunately, an acceptable answer to "how much is enough General Purpose Forces?" is much harder and financially more important. That part of the military budget directly attributable to Strategic Forces has been only about 8% in recent years, General Purpose Forces direct costs account for over a third of the total and the large overhead component (Training, Medical, Supply and Maintenance) of the Defense budget (See Figure 5) is mostly associated with the manpower-intensive General Purpose Forces.

Former Budget Director Charles Schultze has characterized the complex of decisions that *ought* to go into the determination of the Defense budget for General Purpose Forces as follows:

1. What are the Nation's commitments around the world? . . . [O]ur General Purpose Forces have their primary justification in terms of protecting U.S. interests in other parts of the world. At the present time, we have commitments of one kind or another, to help defend some forty-odd nations around the world.

2. Granted the existence of these commit-

[3]Alain C. Enthoven and K. Wayne Smith, *How Much Is Enough?* (Harper & Row: New York) 1971, pp. 208–211.

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ments, against what sort of contingencies or threats do we build our peacetime forces? [assumptions like "one war and one major contingency"—a NATO war and a minor problem in the Western Hemisphere].

3. Granted the commitments and the contingencies, what force levels are needed to meet those contingencies, and how are they to be based and deployed? [how many attack-carrier task forces, how long remaining on station in a conflict; how many Army divisions?]

4. With what weapons systems should the forces be equipped? Such questions as nuclear versus conventional power for carrier and carrier escorts, the F-111B versus the F-14, and so forth.[4]

As Schultze argues there is no easy logic that makes the answers to subsequent questions obvious when a prior question has been answered.[5] Given our world-wide commitments, it is by no means clear whether we should prepare for one or two simultaneous "major wars" and/or one or two "major contingencies" or even what the relationship is between, say, 13, 13 1/3, 16, 16 1/3 Army divisions to a choice of the contingencies we are preparing for.

> In short there is a logical order of decisions—commitments to contingencies to force levels to weapons systems—but the links between them are by no means inflexible, and require continuing review and oversight.[6]

The problem of shaping U.S. General Purpose Forces is difficult, simply in intellectual terms. The problem is "solved" in the annual planning and budgeting process in the U.S. Department of Defense. *Because of the uncertainties in information about contingencies and threat, and the looseness of the logic connecting various stages of the decisions* (especially concerning General Purpose Forces) *it is especially important to examine the characteristics of the decision processes that determine and modify outcomes.* The decision process itself helps structure debate on the complex of issues involved and represents a gross analytic process for examining the shape of U.S. military forces.

II. The Intra-DOD Resource Allocation Problems: Bureaucratically

As the current Secretary of Defense pointed out in testimony cited above,

> In bureaucracies, units at all levels are concerned with organizational health. Rather than making the hard choices, the tendency is strong to maintain morale by paying off all parties.[7]

The heart of the problem of designing an appropriate resource allocation mechanism for the U.S. Department of Defense is that there are often differences, in both degree and kind, between the security objectives and interests of the nation and those perceived by the military services and Defense agencies. In an ideal world these interests and objectives would be identical. An important aspect of the problem is that the military services and Defense agencies must "implement" policy in the national security area. If policy is sufficiently divergent from the interests and objectives of the implementing elements of the Defense organization, effective implementation will simply not occur. Inherent in the situation is the necessity for some compromise between the more aggregate national interests and the detailed and somewhat more parochial interests of the military components of the national security establishment. The problem does not disappear with a declaration that "service interests are illegitimate" and the broader national interest to be supreme. Just as it is necessary that the "national interest," generally as represented by the President, be reflected in the details of the Defense budget, it is equally essential that the more special interests of the military services and Defense agencies also be reflected. As a practical matter, there is no danger that the Defense budget will not reflect special military interests. There is also little danger that the Defense budget will not be financially consistent with domestic priorities, as history demonstrates and as we have argued above. The danger is that the Defense budget merely will reflect a simple aggregation of Defense preferences within some overall financial constraint.

The compromise between organizational interests and broader national interests is struck in the process of generating the annual Defense budget. It is a compromise characteristic of any hierarchical structure. It involves all the considerations present in any centralization/decentralization trade-off. How does one introduce the proper amount of "central" considerations into the processes of decision and debate carried on in the decentralized units? The balance is particularly delicate because the central authority—White House and Office of the Secretary of Defense—is dependent upon the decentralized units—Army, Navy, Air Force and Defense agencies—to implement policy. Further complicating the calculation of the "proper amount" of central control is that those things proposed by the decentralized units are most likely to

[4]Charles Schultze, in testimony before the Joint Economic Committee, Subcommittee on Economy in Government, *Hearings on the Military Budget and National Economic Priorities*, Part I, June, 1969, pp. 52–53.

[5]See also Enthoven and Smith, *op. cit.*, pp. 210–242 for more detailed discussion and exploration of the difficulty in answering the above questions.

[6]Schultze, *op. cit.*, p. 53.

[7]Schlesinger, *op. cit.*, p. 10.

be implemented successfully by them. Too heavy a hand at the central controls is as dysfunctional as a "hands off" policy.

III. Evolution of DOD Resource Allocation Processes

Left to their own devices the services would undoubtedly procure that force structure most consistent with each service's self image. The Air Force would buy combat aircraft and bombers; the Army would increase the number of combat divisions and procure tanks; and the Navy would purchase more aircraft carriers, ships, and submarines, perhaps equipped with some missiles. Much of the change in internal Defense budgeting processes represents attempts to combat the tendency of the services to pursue their own interests at the expense of the nation's total force needs. The prevailing argument —which we do not fully accept—is that the decentralization practices in the Eisenhower Administration of ". . . leaving the allocation within the budget ceilings to the services has resulted in serious imbalances in the total force structure, as the services have fought to keep prestige items in their budgets at the expense of the 'horseshoe nails' that make their existing forces effective and have kept existing forces and systems (battleships, horses, bombers) when new systems (carriers, tanks, missiles) should have replaced them." [8] Reforms in the Defense budgeting processes have been stimulated by perceived deficiencies in existing processes. Attempts at correcting deficiencies have been of two types: (1) Attempts to structure the Defense Planning and Budgeting Process to match the logic of the force structure question: foreign policy commitments specify the set of contingencies for which military force may have to be deployed, which specifies force structure, which determines component manpower and weapons system decisions. (2) Insuring that the appropriate organizational interests are represented at the various stages of the decision process.

In brief, the McNamara Planning, Programming, Budgeting System (PPBS) reforms were aimed at making the Defense budgeting process more closely mirror the formal logic of scientific problem solving— setting objectives, considering alternatives and making choices among alternatives within a cost-effectiveness framework. It did so by increasing the representation of the Secretary of Defense's interests in lower-level decisions. The Eisenhower fiscal decentralization was replaced by more central (OSD) participation in previously service-dominated decisions through a change in the process itself.

[8] Enthoven and Smith, *op. cit.*, p. 203.

Modifications to the McNamara system proposed by the Nixon Administration included: keeping the McNamara PPB process reforms, adding realistic fiscal guidance to the PPB process and a relatively greater decentralization of planning and budgetary decision-making. Decentralization was to include the removal of the Office of Secretary of Defense (Systems Analysis) from the process of independently *proposing* force structure modifications, more explicit involvement of the National Security Council in setting the strategic assumptions surrounding the Defense program, and greater OMB involvement in the development of the details of the Defense budget and force posture. The recommendations made below for the improvement of the internal DOD budgeting process generally parallel those proposed by the Nixon Administration but which have yet to be fully realized. In particular, the overall structure and flow of decisions in the current Defense budgeting process closely mirror the logic of the resource allocation question for military forces. The logic of the process is a model for resource allocation in government settings. The recommendations center on more meaningful representation and participation of the National Security Council and State Department in setting strategic objectives in the PPB process and earlier and more meaningful participation of the Office of Management and Budget in providing both fiscal (see Recommendation 5, above) and program policy guidance to the services.

Prior to 1963 military budgets were based entirely on a system of appropriations accounts with clear input and organizational orientations. Decisions on resource allocation were made strictly in terms of the objects of expenditure (Military Personnel, Procurement, etc.) and the decision unit making the expenditure (Army, Navy, Air Force and Defense agencies). In that system the needs of management and control were served adequately. Military commanders knew the numbers of men, equipment inventories, etc. at their disposal, and it was possible to keep reasonable control over the resources available. A system of mutual expectations about appropriations categories evolved over the years among the President, the Budget Bureau and the military departments and the relevant Congressional committees. When the Defense Department was formed in 1948, the accounting system and appropriation structure were changed in a relatively minor way, with the addition of the Department of the Air Force (which carried over the accounting system and structure from the Army) and the Office of the Secretary of Defense. Over the years, while there have been substantial changes and discontinuities in structure, there has been great continuity in personnel manning the financial management structure. A relatively small group of people has rotated through a series of positions in

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the Assistant Secretary of Defense (Comptroller's) office and the financial management groups within the services.

The continuity of personnel in the Department of Defense and in the Congress over the post-World War II period has insured some continuity in the traditional, appropriations-category budgeting system. During the Eisenhower Administration central control was exercised through the use of strict financial guidance to the Department of Defense and the component services. But services had considerable flexibility in filling out most of the details of their program and budget within those constraints. There is also evidence that President Eisenhower participated directly in the determination of some of the details of the Defense Budget, by participating in major weapons system decisions.

Critics of the Eisenhower use of the traditional budgeting system, in addition to their charges that overall budget ceilings were "arbitrary" and did not reflect military requirements, pointed out that the planning function in the U.S. military establishment was poorly performed. The fiscal decentralization implied by Eisenhower budget ceilings was seen to have carried over into all phases of military planning. Left to their own devices in filling out the details of the Defense budget, the force structures within the three services tended to reflect each of the separate self-images of the services. The services were planning for three different wars against three different enemies and on different battlefields. The Army's war was to be fought on European-style terrain, using World War II weapons; the Navy's war, of course, would be fought at sea; and the Air Force conceived of an exchange of nuclear bombs with the Strategic Air Command assuming the primary role. The Air Force and the Navy were not particularly concerned with how the Army troops got from their home bases to the battlefield. The Army did not seem to worry greatly about the problems of building their skeleton Divisions up to combat readiness; as long as the Army obtained its maximum number of divisions, they could easily be filled out and equipped in time of emergency. The critics charged there was no Defense-wide force structure; only the simple aggregate of three service force structures.

Aside from the fundamental strategic questions raised in the 1960 Presidential campaign, considerable criticism was made of the adequacy of the entire military planning apparatus. A graduated-response capability implied a stock of troops in readiness, logistical support to get troops and equipment to wherever they were needed, Navy and Air Force transport equipment within which Army equipment would fit, coordinated transport and battle plans, air support in the field, and the like. The inadequacy of military planning in the late 1950's was seen as stemming in part from the characteristics in the annual budgetary process as practiced in DOD.

IV. The PPB System In The Department Of Defense: 1961 Through 1969

In principle the Planning, Programming, Budgeting System introduced with the preparation of the FY 1963 Defense Budget was a system designed to procure an approved set of military capabilities at minimum cost. These capabilities were to be deduced by first considering the range of threats facing the nation, then devising a force posture capable of countering these threats. This force posture was, in turn, to be translated into a set of approved programs which were to be carried out at the least possible cost. In this system, all program approval decisions were to be made by the Office of the Secretary of Defense (OSD). The services were to be free to lobby for any programs that they thought were desirable, but the final decisional authority resided within OSD. Thus, formal service budget submissions to OSD (stated in terms of the traditional appropriations categories) were to consist primarily of a costing out of previously approved OSD programs. Officials within the OSD Comptroller's Office were supposed to be concerned primarily with assuring that the cost estimates submitted by the services were reasonable. The Comptroller's Office was not supposed to be involved in the process of deciding which programs were to be funded or to what extent. These decisions were to be made during a prior programming stage, dominated by the new Systems Analysis Group in OSD. The principal program and force structure decisions were to be made in terms of "program budget categories" which focused on the objectives of an overall Defense posture (strategic forces, general purpose forces, air lift and sea lift, etc.). Program decisions made prior to the formal service budget submissions to OSD were to be made in terms of program categories. (See Table 1, below, for a comparison of the appropriations and program budget structures.)

In practice, the PPB System consisted of a complex set of bureaucratic procedures which were not always followed by officials within the government. In fact, the internal OSD budget procedures in the 1960's are quite similar to procedures in force now (See Figure 2, OSD decision chain).

The McNamara PPB System was organized around a series of documents. The first of these in sequence was the Major Program Memorandum (MPM), containing a summary of the threat assessment projections, a general description of the U.S. force posture, major Defense programs, and a general discussion of the relationship between the mili-

TABLE 1.—ALTERNATE BUDGET STRUCTURES & INSTRUMENTS OF CENTRAL CONTROL: DOD APPROPRIATIONS & PROGRAM STRUCTURE (1974)

Administrative/Appropriations Categories	*Program Structure*
I. Army	1. Strategic Forces
a. Military Personnel	a. ICBM's
b. Operations & Maintenance	MINUTEMEN
c. Procurement	TITAN II
d. R,D,T & E	b. POLARIS/POSEIDON
e. Military Construction	c. Strategic Bombers
II. Navy	2. General Purpose Forces
a. Military Personnel	a. Land Forces
b. Operations & Maintenance	Army Divisions
c. Procurement	Marine Corps Division
Shipbuilding	b. Tactical Air Forces
Aircraft & Missiles	Air Force Wings
Other	Navy Attack Wings
d. R,D,T & E	Marine Corps Wings
e. Military Construction	c. Naval Forces
III. Air Force	Attack, ASW Carriers
a. Military Personnel	Nuclear Subs
b. Operations & Maintenance	Other Warships
c. Procurement	Amphibious Assault
Aircraft	3. Intelligence & Communications
Missiles	4. Airlift and Sealift Forces
Other	a. SAC Squadrons
d. R,D,T & E	b. Troopships, Tankers
IV. OSD	5. Guard and Reserve Forces
Defense Agencies	6. Research & Development
V. Defense Supply Agency	7. Central Supply & Maintenance
VI. Org. of JCS	8. Training, Medical
VII. Office of Information	Other General Personnel Activity
VIII. Defense Contract Audit, etc.	9. Administrative & Associated Activities
	10. Support of Other Nations

tary threat-assessment and the OSD-approved programs. The MPM was prepared within OSD, mainly by the Systems Analysis Staff, with inputs from the Joint Strategic Objectives Plan (JSOP), prepared annually by the Joint Chiefs of Staff. The Major Program Memoranda (MPM), later the Draft Presidential Memoranda (DPM), was a classified version of the document which, revised, became the annual force posture statement of the Secretary of Defense. The MPM has its equivalent in current procedures and is developed in roughly the same way as it was in the 1960's.

In theory at least, the entire set of approved Defense programs was summarized in the document known as the Five Year Defense Program (FYDP). The FYDP was to be a detailed financial plan continually updated in light of new OSD program decisions. Its function was to eliminate the schism between budgetary decisions and program planning. Nominally, any change in the FYDP had to be initiated with a Program Change Request (PCR). PCR's were required not only to initiate new programs but also to modify existing ones or to change the cost calculations for existing programs. The normal source of PCR's would, of course, be the services. In the idealized system OSD was to respond to PCR's with documents known as Program Change Decisions (PCD's). The PCD's considered the five-year implications of any program changes and were then to be used to update the FYDP.

The interaction of the services with OSD, using the PCR-PCD system to modify the FYDP, was to go on more or less continuously and was intended to structure a meaningful debate within the Defense Department about force posture. To tie this system into the annual budgetary process, a finalized version of the MPM, containing a list of all OSD approved programs, was to be published prior to the October 1 deadline for service submissions. The services were supposed to use a finalized MPM as the basis for constructing their budget submissions. The service submissions were to consist of two

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parts: a basic submission which costed out the approved set of OSD programs for the service in question and an addendum submission in which the service could request funds not yet approved by OSD. Since these addendum submissions called for a change in FYDP, they were to be accompanied by a PCR. Thus, addenda were stated simultaneously in program and appropriation budget terms.

After the OSD Comptroller's Office received the service budget submissions on October 1, two different processes were initiated. First, because the basic submissions were supposed to involve approved programs only, the Comptroller's Office was to examine these from a financial standpoint, making sure that the cost estimates seemed in line. The addendum budgets, on the other hand, required program decisions. These were to be recorded in the form of Program Budget Decisions (PBD's) which considered only the budget year implications of the decision rather than the full five-year implications as required in PCD's. At the end of the Comptroller's budget review the DOD budget submission was then submitted to the President for his approval. This submission was to consist of a costing out of approved programs (the basic budget submission) plus the calculated costs of any new programs added by PBD's (as proposed in the addendum submission).

The budget review in OSD Comptrollers was undertaken jointly with staff from the Bureau of the Budget. While nominally the Budget Bureau participants in the Joint Review made recommendations to the Director of BOB, actually the "Secretary of Defense and the Budget Director [would] . . . meet to iron out differences of view. The Secretary of Defense then submit[ted] his budget request to the President and the Budget Director [had] the right of carrying to the President any remaining areas of disagreement he [thought] warrant[ed] Presidential review." [9] During the entire Kennedy-Johnson Administration, none of the ten or so appeals carried to the President *by the Budget Director* per year was approved. There appeared to be nearly complete delegation of authority with respect to the details of the Defense Budget to the Secretary of Defense.

The final Presidential budget submission was then used to create an updated list of approved DOD programs. The month of January, following the Presidential budget submission to Congress, was used to update the major planning documents. The five-year implications of the PBD's were recorded in the form of PCD's and these were then used to update the two major planning documents —the MPM and the FYDP.

The above is a brief description of how the PPB system was supposed to work in the 1960's. In practice there were many discrepancies which had the effect of destroying much of the intent of PPB, especially with respect to planning for general purpose forces. As has been argued elsewhere, many of these problems stem from the one glaring defect of the PPB System: during the planning and programming phases it provided no mechanism for assuring that the overall Defense budget stayed within the range of feasible Defense budgets implied by overall government fiscal policy.[10] After arguing repeatedly and publicly that "there is no *arbitrary* budget ceiling for Defense" Secretary McNamara found it impossible to give the services realistic fiscal targets within which they would do detailed planning. As a result the services flooded the system with program requests.[11]

The Kennedy-Johnson years were marked by a substantial reallocation of resources within DOD. Consistent with both the shift in policy toward flexible response and with the demands of the Vietnam War, strategic forces programs received less and less of the DOD total (See Figure 5). At the service level this change was reflected in the Air Force's steadily declining share of the Defense budget. Some of this reallocation was undoubtedly due to the introduction of the PPB System. Nevertheless, PPBS was far from a complete success and never operated as designed during the Kennedy-Johnson Administrations.[12]

During the first week of the Nixon Administration a number of memos were circulated in the financial management offices of DOD, summarizing major service complaints about PPBS. The major complaints were:

1. Nominally no budgetary ceilings were supposed to exist, either for DOD or the services. In practice, such ceilings appeared to exist.
2. Program change decisions were not really final. Approved programs were often deleted during the budget review process. Thus the services did not really have a firm set of programs to work with.
3. No complete set of programs was available to the services by the October 1 deadline for submissions. That is, the finalized MPM's were never ready on time to be of any use to the services. And the FYDP did not contain a detailed specification of approved programs or costs.
4. Service PCR's had to specify desired changes in great detail. But the OSD PCD's were specified

[9]Schultze, *op. cit.*, p. 68.

[10]J.P. Crecine, *Defense Budgeting: Organizational Adaptation to External Constraints* (The Rand Corp., RM-6121-PR), 1970, pp. 256–258.

[11]Enthoven and Smith, *op. cit.*, p. 25.

[12]See Crecine, *op. cit.* and Crecine and G. Fischer, "On the Source Allocation Processes in the U.S. Department of Defense," *Political Science Annual*, Vol. 4, 1973, for detailed empirical investigation of Defense budgeting during the 1950's and 60's.

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at a much more aggregate level. Thus, the services were never clear on what DOD had approved and what it had rejected.

5. In principle, the President's budget submission was to be a simple updating of the ongoing planning and programming process. But in fact service budget submissions, like the President's budget, had to be organized in terms of the traditional appropriations categories which consider input, not outputs. The relationship between the two accounting systems was never precisely known, so it would be no simple task for the services to translate approved programs into the appropriations category budget format.

6. Program change decisions were withheld until the last two weeks before the President's budget submission. Service PCR's were not responded to until it was much too late for the services to use these responses as the basis for their budget submissions.

> 90% of the (program) decision documents were written after December 28th. The reason for this "piling on" of key decisions towards the end of the budget cycle is because the Secretary of Defense cannot afford to commit himself early on major decisions and still maintain any flexibility. He has to see how the wind is blowing on the federal budget, particularly in regard to total. He has to see what the price tag on the hard core of the Defense budget looks like.[13]

Regardless of who was right in the internal DOD debate over the cause for the deficiencies in the McNamara PPB System—whether the services caused the system to break down by flooding the system with requests or whether the cause was the Secretary of Defense's unwillingness to reveal his conception of constraints on the Defense Total with others along with OSD's failure to respond in a timely fashion to service PCR's—an important remedy seems clear. The planning and programming phases of the PPB System should be guided by realistic fiscal constraints.[14]

V. Alternate Mechanisms For Central Control

In the broadest sense the budget and activities of the Defense Department can be described either in terms of the administrative, input-oriented appropriation structure (e.g. Army, Procurement of Equipment, Missiles and Aircraft) or in terms of a Defense-wide program structure (e.g. Strategic Forces). The budget can be used as an instrument of central control by utilizing the administrative/appropriations structure, the program structure, or some combination of the two, as can be seen in Table 1. Regardless of the particular instrument of control chosen, that control is strongly reinforced when it is exercised in the context of realistic, overall constraints on the Defense Total. For example, a tentative set of resource allocation decisions proposed by OSD, *if consistent with overall government fiscal policy,* avoids the opposition of an impressive coalition of non-DOD actors—the Bureau of the Budget, the Council of Economic Advisors, the President, the Secretary of the Treasury, and principal domestic agencies. Should the Secretary of Defense or a subset of the NSC propose a Defense budget significantly outside of overall government fiscal constraints, most of the non-DOD actors become opponents on fiscal grounds. In the Eisenhower, Kennedy/Johnson, and Nixon/Ford Administrations different degrees of central control were attempted and different mixes of control have been utilized.

Eisenhower effectively fixed a "maximum" Defense Total for FY 1955, consistent with a post-Korean War tax reduction, and maintained that total (with upward adjustments for inflation) through the remainder of his term. The Defense Total was decomposed into service subtotals, which constituted Eisenhower's principal control mechanism. With the service totals, the services had considerable, but not total, planning flexibility. An additional layer of program-like constraints was provided within service totals. These constraints were provided informally and were enforced through the President's active participation in major weapons system acquisition decisions.

The attempts by Secretary McNamara to establish a greater degree of central control than was present under the Eisenhower Administration saw him create a formal resource allocation process around a set of program categories (the PPBS) and place primary emphasis on program structure as the control system. McNamara's public statements notwithstanding, it is clear that he used both the administrative/appropriations structure and program structure as instruments of control.[15]

Table 1 provides a rough overview of the alternate budget structures and instruments of central control. Eisenhower centrally influenced spending decisions *within* service totals as well. These infor-

[13]April 1968 interview with OSD official.

[14]Crecine, *op. cit.*, p. 258.

[15]See Crecine and Fisher, *op. cit.*, for empirical substantiation of the importance of the traditional administrative/appropriations structure in shaping the Defense force posture in the 1960's. Although Secretary McNamara's public statements contend that program decisions drove appropriations category decisions, there is considerable evidence that the appropriations category decisions were finalized prior to operative program decisions and hence served as important determinants of the shape of actual Defense program decisions.

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mal "fences" within service totals generally involved major weapons decisions but, in the aggregate, left the services with a major portion of their budget share "unconstrained" by central (the President, BOB, and OSD) authorities. McNamara appeared to exercise central control by first decomposing the Defense Total into the principal appropriation categories (over 40), specifying administrative units and the general objects of expenditure —e.g. military personnel, etc.—and then squeezing a series of tentative program decisions into appropriation-category constraints. Although the mechanisms for a rather complete central control of the Defense budget were present in the McNamara PPB System, too many important program decisions were undecided before the start of the three month "budget scrub" in the fall review. As a result, the role of the PPB System as distinct from the normal budget review process for generating appropriations requests, was considerably muted.

If President Eisenhower utilized too few instruments of central control, it seems as if the McNamara regime attempted to utilize too many. The way in which budgetary decision-making has evolved in the Department of Defense indicates:

1. Effective external control cannot be exercised exclusively through programs or through administrative units. As long as there is overlap in the missions of the military administrative units and a need for coordination in their planning, it will be necessary for effective external controls to be exercised through both of the two control structures.

2. There are important and significant differences in the degree to which external influences are brought to bear on the Defense budget, the degree to which items in the two structures presented in Table 1 are filled in by actors outside of the military establishment.

VI. Nixon Administration PPB Reforms

The Laird/Nixon modifications of the Defense budgetary process were, in large measure, a reaction to the deficiencies they saw in the McNamara system. From the point of view of the services and the Defense agencies, the Secretary of Defense seemed to be trying to fill in all of the details of the Defense budget himself, with the assistance of a relatively small OSD staff. The Laird/Nixon reforms were designed to do two things: on the one hand, grant a greater voice to the military services in determining the shape of the Defense program; on the other hand, open up for wider consideration the important functions of coordinating the Defense program with foreign policy objectives and domestic programs, through strengthening the NSC system and creation of the Defense Program Review Committee, and by proposing to give the Bureau of the Budget a greater voice in the guidance and planning phases of the development of the Defense budget.

More specifically, the Nixon Administration was on record in favor of the following reforms in National Security policy-making:

1. More explicit consideration of the macro-Defense/domestic trade-offs implicit in any given level of defense expenditures, principally through the Defense Program Review Committee of the National Security Council. (This was discussed in detail in Chapter 3.) [16]

2. Greater involvement on the part of the foreign policy establishment (State Department) and the White House, through the President's Assistant for National Security Affairs, and the National Security Council in establishing overall policy guidance and assumptions about foreign policy objectives in the shaping of the details of the Defense budget.

3. Greater involvement on the part of the Office of Management and Budget in determining the size (Defense Total) and shape (component Defense Programs) of the Defense budget, moving somewhat in the direction of OMB treatment of the Defense budget paralleling its treatment of the budgets for non-Defense agencies.[17]

4. Defense Program Planning within more realistic fiscal constraints.

5. Increased service flexibility in determining the appropriate set of programs for implementing overall foreign policy objectives and satisfying fiscal constraints.

In practice, the services were given greater flexibility in choosing specific programs.

> In a 'treaty' signed by Deputy Secretary Packard, the Service Secretaries, and the Chairman of the Joint Chiefs of Staff in July 1969, it was agreed that the 'Secretary of Defense' will look to the Joint Chiefs of Staff and the Services in the 'design of forces' and that the Systems Analysis Office would limit itself to 'evaluation and review' and by implication would not put forward independent proposals of its own.[18]

In exchange for increased flexibility in allocating resources, the services agreed to abide by explicit fiscal guidance. The examination of service budget submissions in comparison with fiscal guidance indicates the services have done so (see Table 2).

[16]Paul McCracken, Statement before the Joint Economic Committee, *Hearings on the Military Budget and National Economic Priorities*, 1969, p. 661.

[17]Statements of Budget Director Mayo, accompanied by Assistant Director J. Schlesinger (pp. 685–687), Defense Comptroller Moot (pp. 312, 336) before JEC, *op. cit.*

[18]Enthoven and Smith, *op. cit.*, p. 334.

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OSD has kept its part of the bargain as well, limiting explicit guidance to service totals with some very minor "program fences" within these totals and some more general requests of a program nature (e.g. "include a program for developing a low-cost fighter"), leaving the services considerable discretion within externally determined service ceilings.

The remaining reform objectives—greater involvement of policy machinery outside of the Pentagon in specifying overall foreign policy objectives to guide Defense planning, greater OMB involvement in Defense planning and budgeting, and greater service flexibility in proposing and planning programs to meet overall objectives—very much depend on the operation of internal Defense Department Resource Allocation Processes for their achievement.

Furthermore, as we will see below, existing Resource Allocation Processes within DOD included policy mechanisms that would make it possible for the Nixon/Laird reforms to be realized. Although existing procedures allow for the reforms, in some cases they do not particularly encourage them. In our examination of the structure of current Defense Allocation Processes, principally operation of the Planning, Programming, Budgeting System, we are led to four recommendations. These should serve to strengthen the reforms proposed in the early 1970's and contribute to other objectives.

The current PPB decision processes in DOD consist of three readily identifiable phases: (1) guidance planning (2) programming and (3) budgeting. The full PPB cycle lasts over twenty months, so that at any given time, planning for two different budget years is "in process."

TABLE 2.—RATIOS OF SERVICE REQUESTS TO DOD REQUESTS (NOA)

Fiscal Year	*Army*	*Navy*	*USAF*	*Administration*	*Secretary of Defense*
1962	.92	.96	1.00	Kennedy	McNamara
1963	1.12	1.03	1.06		
1964	1.12	1.22	1.19		
1965	1.14	1.22	1.22		
1966	1.19	1.19	1.16	Johnson	
1967	1.21	1.21	1.25		
1968	1.16	1.37	1.19		
1969	1.20	1.23	1.25		
1970*	.94	1.28	1.30	Nixon	Clifford/
1971	1.11	1.10	1.09		Laird
1972	1.02	.97	.97		
1973	1.01	.96	.94		
1974	1.12	1.10	1.05		
1975	1.03	1.03	1.01		Richardson/ Schlesinger
Mean: 62-69	1.13	1.18	1.17		
Mean: 70-75	1.04	1.07	1.06		

*Modified by incoming administration

The overall sequence of decision in the PPB process can be seen in Figure 7. The dates given are those associated with the various phases of the process during the PPBS cycle for fiscal year 1975. The principal documents generated in the process are:

Guidance Phase

Joint Strategic Objectives Plan (Joint Chiefs of Staff)

Planning and Programming Guidance Memorandum (Secretary of Defense, with Office of Director of Defense Planning, Analysis and Evaluation)

Programming

Joint Forces Memo (Joint Chiefs of Staff)

Program Objectives Memoranda (Service Secretaries, Defense Agency heads)

Issue Papers (ODDPA&E)

Program Decision Memoranda (Secretary of Defense, staffed by ODDPA&E)

Five Year Defense Program (ODDPA&E)

Budgeting

Service and Defense Agency Budget Submissions (Service Secretaries and Defense Agency heads)

Program Budget Decisions (Secretary of Defense, staffed by OSD, Comptrollers with OMB, National Security Division input)

President's Defense Budget.

The current process solicits contributions from the Joint Chiefs of Staff, the Military Departments and Defense Agencies, Comptrollers and the Office of Planning Analysis and Evaluation in the Office of the Secretary of Defense, the Secretary of Defense himself, and the National Security Program Division of OMB. The structure of the overall process is illustrated in Figure 7.

VII. Guidance Planning Phase of Current PPB System: Description and Recommendations

The principal output of the guidance planning phase is the Secretary of Defense's guidance package, the Planning and Programming Guidance Memorandum (PPGM). The Secretary's final guidance package consists of four parts: the Defense Policy and Planning Guidance (DPPG), which is a statement of general national security and foreign policy principles and objectives, relevant im-

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plementation criteria, and some specific scenarios for evaluating the adequacy of proposed force levels. Fiscal guidance is provided for each military department and Defense agency for a five-year period. In addition, guidance is provided to the services and Defense agencies on material support issues—for example, conventional weapons stockpile objectives and assumptions about the length of time general warfare must be supported out of inventories before resupplying, etc.—and planning assumptions concerning Southeast Asia operations.

The four elements of the guidance package, the PPGM, are loosely related to each other rather than being tightly coordinated. The DPPG and Material Support Planning Guidance (MSPG) are developed iteratively with inputs from the Joint Chiefs and military departments, the generation of a draft-DDPG, and a draft MSPG, Joint Chiefs' service and Defense agency comments on the drafts and resulting final versions of the DDPG and MSPG. Fiscal guidance and Southeast Asia planning assumptions are not issued for comment and revisions and come out in final form only in the spring prior to the submission of the President's budget.

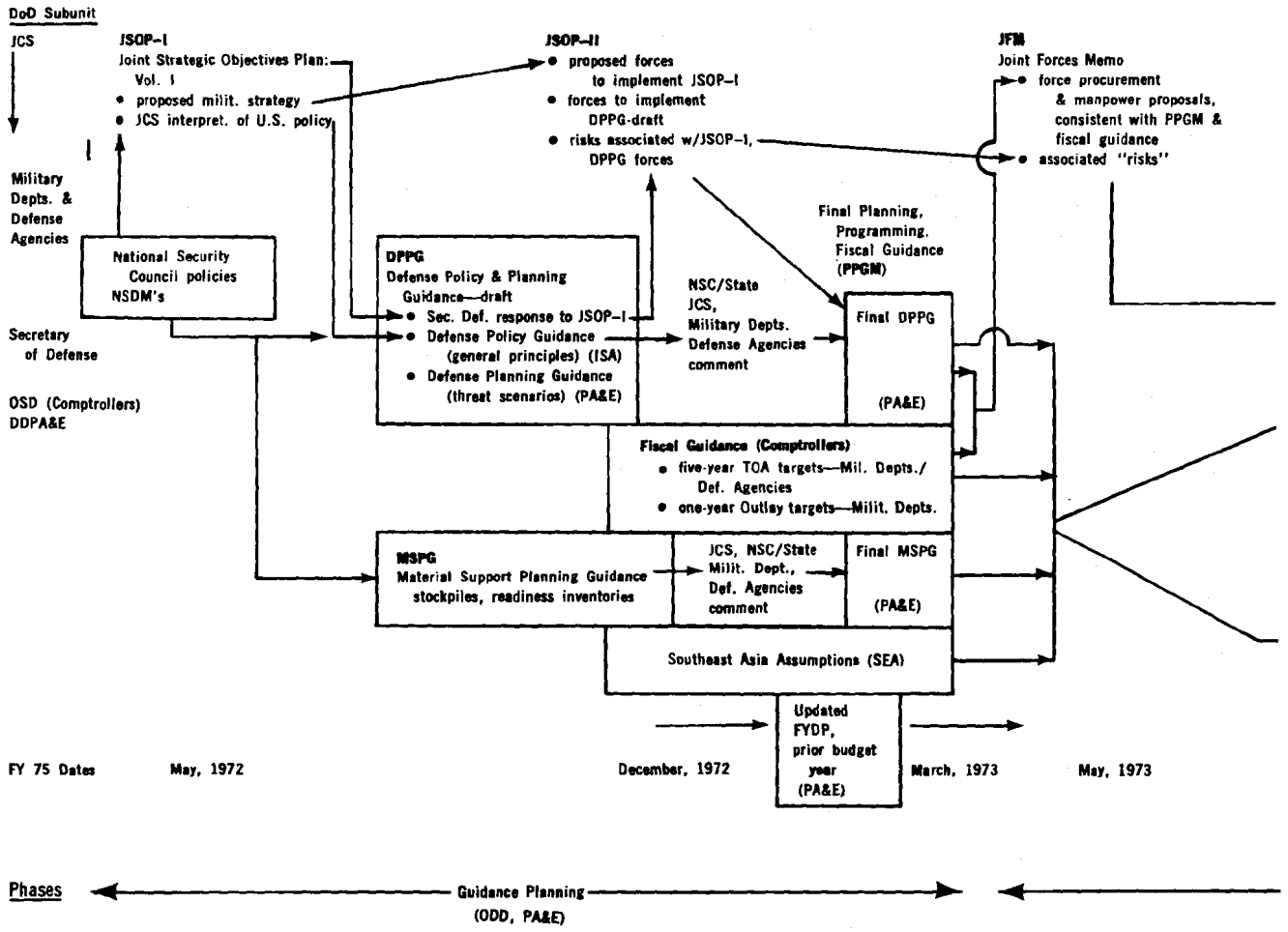
The Defense Policy and Planning Guidance (DPPG) is based, in the first instance, on the Joint Chiefs' Strategic Objective Plans, Volume 1 (JSOP-1). The Joint Chiefs have the initiative, at least formally, in proposing strategy. JSOP-1, called Strategy and Force Planning Guidance, proposes general strategy and states U.S. policies in the national security area as the JCS understand them. JSOP-1 is issued over twenty months prior to submission of the President's budget to which it refers. For example, the FY 1975 President's Defense Budget was based in part on the May 1972 JSOP-1. In the fall of 1972 the Secretary of Defense responded by issuing a Draft DPPG to the Military Departments, JCS and Defense agencies. The Draft DPPG explicitly modifies JSOP-1. Comments are solicited from the military establishment during the month of December (1972) and based on those comments, the DPPG is modified and reissued in final form. The Joint Chiefs' response to the Draft DPPG is partially reflected in JSOP, Volume 2. In draft and in final form, the DPPG provides a roughly ten-page Defense Policy Guidance setting forth general principles and Administration policy and criteria for implementing that policy. The second part of the DPPG is the Defense Planning Guidance, a thirty-page amplification of the first part, which includes scenarios for the evaluation of proposed force capabilities. Both the DPPG and JSOP try to be consistent with the various NSDM's and official statements of Administration policy (e.g. the Nixon Doctrine). For example, one of the "criteria" specified in the DPPG may be for measuring the policy objective of "strategic sufficiency." In this case, the criteria were published in a two-page NSDM. NSDM's are relatively general statements that say "Make sure the U.S. has enough forces to do X." The DPPG general policy guidance contains general statements similar to those in the annual Force Posture Statements of the Secretary of Defense and in his opening statments to the Congressional Appropriations Committees. Elaborations of "criteria" for measuring general concepts like "strategic sufficiency" consist of specifications of what it is we are protecting, against whom, and what forces are to be deployed against particular threats. For example, the DPPG will contain planning assumptions concerning the number of conventional wars and major contingencies our general purpose forces should be capable of fighting simultaneously and against whom, but would not go so far as to specify the number of divisions, wings or other more precise measures of force structure. Based on the draft DPPG, the Joint Chiefs, in JSOP-2, specify the forces they consider necessary to implement the general policies put forth in the draft DPPG, and also propose force levels to implement their military strategy as proposed in JSOP-1. In JSOP-2 the risks associated with both JSOP-1 forces and the draft DDPG forces, as estimated by the JCS, are presented. Based on the JSOP-2 response to the draft DPPG and the narrower responses of the military departments and the Defense agencies, the final DPPG is issued in early spring along with the rest of the guidance package.

Similarly, the Material Support Planning Guidance (MSPG) is issued in draft form for comment. The MSPG essentially elaborates general policy guidance as developed by the Administration and promulgated through NSDM's; e.g. the number of days of holding action our defensive forces should be capable of before they can be resupplied or a general nuclear war is assumed to start.

The DPPG is the principal vehicle for the introduction of foreign policy objectives—like those connected with the SALT negotiations—into the Defense budget and force posture decisions. Bureaucratically, OSD, Internal Security Affairs, develops the "Defense Policy Guidance" portion of the DPPG, and the Office of the Director of Defense Planning, Analysis and Evaluation (ODD, PA&E) staffs the longer "Defense Guidance" part. The forces developed in JSOP-2 are unconstrained by fiscal guidance.

The fiscal guidance portion of the PPGM specifies dollar totals for all three services and the Defense agencies in terms of Total Obligational Authority (TOA), for a five-year period. There is often an Outlay constraint for the three services for the first year, but never beyond. Dollar totals are given the various Defense agencies in TOA terms only, for five years. The initiative to propose fiscal guid-

FIGURE 7. DOD PLANNING, PROGRAMING, BUDGETING PROCESS, FY 75 DEFENSE BUDGET



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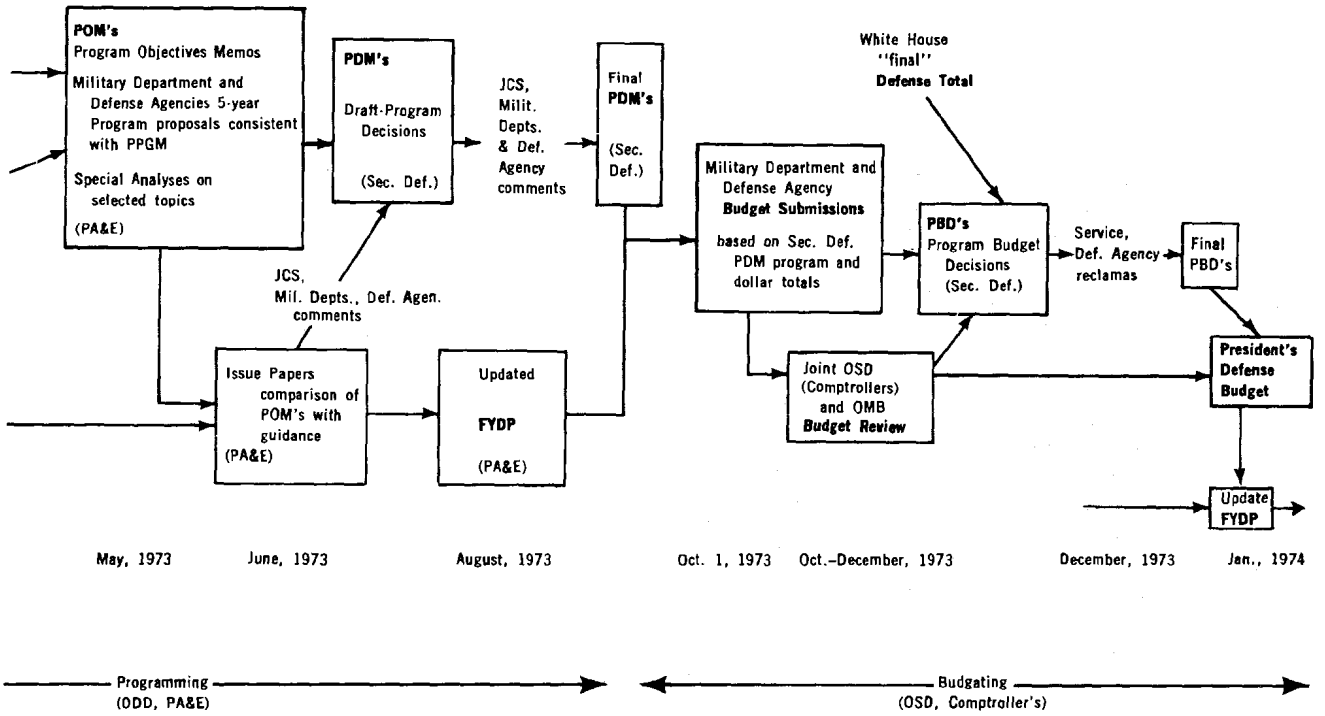
POM's
Program Objectives Memos
Military Department and Defense Agencies 5-year Program proposals consistent with PPGM
Special Analyses on selected topics
(PA&E)
PDM's
Draft-Program Decisions
(Sec. Def.)
JCS, Milit. Depts. & Def. Agency comments
Final PDM's
(Sec. Def.)
JCS, Mil. Depts., Def. Agen. comments
Issue Papers comparison of POM's with guidance
(PA&E)
Updated
FYDP
(PA&E)
Military Department and Defense Agency Budget Submissions
based on Sec. Def. PDM program and dollar totals
White House "final" Defense Total
PBD's
Program Budget Decisions
(Sec. Def.)
Service, Def. Agency reclamas
Final PBD's
Joint OSD (Comptrollers) and OMB Budget Review
President's Defense Budget
Update FYDP
May, 1973
June, 1973
August, 1973
Oct. 1, 1973
Oct.-December, 1973
December, 1973
Jan., 1974
Programming
(ODD, PA&E)
Budgating
(OSD, Comptroller's)

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ance rests with the Secretary of Defense; ODD, PA&E has staff responsibility. Although the DOD totals are based somewhat on possible resource levels available for Defense, in reality they represent the dollar level for which the Secretary of Defense wishes to plan. While there is an obligation that the military departments and Defense agencies live up to their fiscal guidance, the Secretary of Defense is not formally under that constraint vis-à-vis the rest of the government. Within the fiscal guidance provided each military department and Defense agency, there are also specific targets for certain, selected programs. Called "program fences," these targets were established for Strategic Offensive Forces, Intelligence, Military Assistance, all Research, Development, Test and Evaluation, the Hospital Investment Program and the Civilian Health and Medical Program for the uniformed services in the FY 1975 budget cycle. The fiscal guidance is not circulated prior to its issuance. Neither were Southeast Asia planning assumptions. It should be noted that "program fences" are provided principally for those activities that are only nominally part of service missions: intelligence, service-financed military assistance, communications, etc. Even though many of these activities are included in service budgets, the services do not exercise operational control and would be unlikely, absent the minimum funding levels provided by the "program fences," to provide adequate resources.

The PPGM often will highlight a topic or problem area and guidance on it. The "special" guidance topic shifts from year to year; in calendar 1973/Fiscal 1975, special guidance was provided on material support. In addition to providing assumptions about mobilization rates, supply levels, inventories, and the like, it also contained guidance on the rates of utilization of major consumables, such as fuel and ammunition. Given current rates of inflation on such items, "materials guidance" is likely to become increasingly important, having significant effects on the Defense Total (if the FY 1974 and FY 1975 Defense supplementals are any indication). In the preparation of the FY 1976 Defense Budget, the "special" guidance topic in the PPGM was Force Programming. This guidance both added to and elaborated on the contents of the DPPG; the Force Programming Guidance was more detailed than the DPPG, but stopped short of specifying force levels in terms of precise numbers of wings or divisions.

Additionally, PPGM guidance provides criteria that will be applied to evaluating the service and Defense agency's program and budget requests—the Program Objectives Memoranda. Guidance is stated in general terms such as "Include a development program for X" or "Include a program to address problem Y."

PPGM guidance appears to represent the principal way in which recent Secretaries of Defense have exerted their influence over the details of the Defense program. A suggested example is how Secretary of Defense Laird helped create incentives for the services to withdraw from Vietnam by manipulating the Southeast Asia planning assumptions—assumptions about specific U.S. force levels and activity rates for Southeast Asia to be used in subsequent planning. Another example might be the utilization of PPGM guidance to "nudge" the services into providing weapon systems they might not normally generate. A low-cost fighter program was debated in the Defense Department for a considerable period of time. When David Packard came to the Pentagon as Undersecretary of Defense, he confronted the question: Should the prototype program be an Air Force Program, a Navy Program, or some combination? At the beginning of the Nixon Administration, Packard picked the Air Force Program for developing the low-cost fighter plane. But, the Air Force, once it had the program, dragged its feet. The relatively general guidance in the PPGM, "have a program for developing low-cost fighters," undoubtedly kept the low-cost fighter program alive. The Air Force, meanwhile, apparently felt it was likely that the low-cost fighter project would compete with the procurement of the more expensive F-15, also under development, which it wanted very much. It was not until the F-15 was very clearly in the procurement pipeline that the Air Force began to place more emphasis on the development of a low-cost fighter. The low-cost fighter prototype program ultimately led to the F-16 and F-17. Now the climate is different and the Air Force has gradually come to view a low-cost fighter as a complement to, as opposed to a competitor of, the F-15. In introducing guidance calling for development of a new weapon system, Laird/Richardson/Schlesinger seem to have followed a strategy of waiting until the services are willing to "accept" an alternative weapon system rather than to force it upon them. The current relationships between a cruise missile versus the B-1 Bomber in the Air Force and a new tank versus modification of existing tanks in the Army represent similar situations. The basic strategy of the Secretary of Defense seems to be to push for a mixture of weapons, as a way of easing lower-cost weapons and weapons not pushed by the services into the U.S. force structure.

In linking Defense programs to foreign policy objectives and providing for central direction of service-and-Defense-agency administered programs, the Guidance Planning Phase is of fundamental importance. As foreign policy/national security objectives are elaborated in more and more

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detail in the Programming and Budgeting Phases of Defense resource allocation, the "details" of the plan become harder and harder to change.

> The foreign policy views of the Executive Branch are expressed in various NSDM's, public statements such as the President's annual Foreign Policy Report, and other decisions flowing from the NSC system are effectively brought to bear on Defense issues, planning and doctrine through the Secretary of Defense's annual Defense Policy Planning Guidance.[19]

Given the imprecise nature of the guidance represented by NSDM's and formal policy statements, Executive Branch foreign policy guidance is often minimal. More accurately, widely different Defense programs would be consistent with the general guidance offered. Put differently, the contribution of those foreign policy objectives not specified by the Defense Department itself to the size, shape, and details of the Defense program is minimal. In terms of the logical order of Defense decisions—foreign policy commitments to contingencies/threats to force levels to weapon systems—the foreign policy machinery seems to provide important inputs to the specification of broad commitments through the National Security Council machinery and *may* react to detailed Defense programs once weapon systems and force levels are well specified and developed. In the first instance, foreign policy inputs are so general as to provide little operative guidance, and in the second, guidance if given at all, takes the form of reactions to *faits accomplis* and occurs so late as to be irrelevant to the overall conceptualization of force posture.

Logically, the evolution of U.S. force posture should consist of successive approximations to answers to the general questions: What are our foreign policy objectives and commitments?, What threats to those interests, objectives and commitments might emerge in the future?, Which of those "threats" or possible situations would benefit from a military capability or presence?, What overall force levels would be appropriate?, What weapons should those forces possess? Tentative answers to later questions need to be consistent, at least, with answers to higher-order questions and must, at each stage, be informed by cost-effectiveness considerations. It is precisely because there are no "right" answers to the questions at various phases of the process that makes it essential that tentative answers be subject to meaningful debate.

A premise underlying this discussion is that the U.S. military force posture should follow from and be consistent with U.S. foreign policy. The logic inherent in the translation of foreign policy to military forces is inherently debatable, at every stage, and involves non-military, as well as military considerations at each stage. Foreign policy, analytic, and budgeting expertise are every bit as relevant and important to the translation process as is military expertise.

Setting foreign policy objectives and translating them into the major choices about the Defense budget—force posture, major program and allocation decisions—ought to be where the foreign policy community has its comparative advantage but, with the exception of NSC-generated policy and planning assumptions (NSDM's), the translation process is almost entirely internal to the Defense Department. The uncertainty inherent in the foreign-policy-to-force posture translation would seem to dictate at least serious external review of the DOD approximations to the "right" translation, if not fuller debate on the topics, open to those interests in the Executive Branch claiming foreign policy and budgetary expertise—NSC, State, OMB. Inclusion of non-DOD foreign policy expertise in the translation of foreign policy into major Defense program, force posture and budget choices in the Guidance Planning and Programming phases of the DOD PPB process seems necessary. Means for accomplishing this include:

- *More detailed National Security Council directives and policies (NSDM's).* This would imply having the National Security Council staff—presumably a DPRC staff—elaborate general foreign policy objectives and translate them into more detailed force posture guidance, at least as specific as that currently provided by the Secretary of Defense in the draft DPPG.
- *Detailed NSC/DPRC comments on draft DPPG guidance* along with those of the JCS, services and Defense Agencies in the PPB process (See Figure 7). This would allow the NSC, and State Department through its DPRC membership, to provide detailed comments on the OSD elaboration of U.S. foreign policy objectives.
- *Joint Secretary of State/Secretary of Defense preparation, presentation and defense of a foreign policy/force posture statement to supersede the annual Secretary of Defense Force Posture Statement.* Although the principal coordination between State and DOD would take place during the Guidance Planning phase of the PPB, preparation of a joint statement, adequately staffed in State, would provide for continuous State participation in and monitoring of

[19]From November 1973 memorandum of Office of the Assistant Secretary of Defense, International Security Affairs, "Comments on Discussion Areas Proposed by the Commission on the Organization of the Government for the Conduct of Foreign Policy," p. 2.

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the translation of foreign policy to military capabilities.[20]

Preparation of a State/Defense foreign policy/force posture statement implies the following changes in existing PPB process (See Figure 7):

- State Department review of that portion of JSOP-1 dealing with JSC interpretations of U.S. foreign policy objectives.
- Joint State/OSD (ISA) drafting of a somewhat expanded version of the Defense Policy Guidance portion of the DPPG.
- Joint State/ODD, PA&E drafting of the Defense Planning Guidance portion of the DPPG.
- Participation by State in the drafting of Issue Papers, evaluating Program Objectives Memoranda in terms of their adherence to/consistency with foreign policy objectives and guidance.
- State examination of President's Defense Budget in terms of its consistency with State POM evaluations.

The State Department would have to develop an analytic capability for dealing with military force posture questions and for formulating foreign policy objectives and commitments in such a way to permit them to be related to U.S. military requirements. Anticipating a recommendation to strengthen the DPRC and its staff, it would be desirable to assign the State Department analytic staff responsible for the joint posture statement to the Assistant/Under Secretary of State who is a member of the DPRC. Effective participation in DPRC deliberations on the part of State could benefit greatly from the competence developed in preparing the joint statements.

Recommendation 8: Joint preparation, presentation and defense of a foreign policy/force posture statement by the Secretary of Defense and the Secretary of State to supersede the annual Force Posture Statement of the Secretary of Defense. Provision of appropriate staff to the Secretary of State to perform this function. This staff should be attached to the State representative to the DPRC and should have the additional responsibility of handling DPRC-related activities for the State representative.

The remaining two options for strengthening the guidance planning phase are, in essence, mutually exclusive. Significantly more detailed NSDM's would, in effect, replace the Guidance Planning phase in OSD. This would, in our opinion, serve to reopen debates about the appropriate role of the services, OSD and the White House in military planning. It likely would meet with considerable opposition from the services, the Joint Chiefs and perhaps OSD. The benefits of such an "encroachment" into Defense decision-making obviously depend on the availability of sufficient expertise at the NSC staff level and on the willingness of elements of the Defense Department to accept a guidance package generated outside the Pentagon. It is not at all clear that expected benefits of this policy change would outweigh the obvious costs in service and OSD opposition. On balance, solicitation of detailed NSC comments on the draft Defense Policy and Planning Guidance, through the DPRC, seems preferable. It would provide for more directly relevant participation on the part of the foreign policy community, at a level where they have greatest comparative advantage—provision of broad guidance and evaluation of general threats, contingencies and relevant force postures. OSD already submits DPPG drafts to the services and Defense agencies affected by the guidance. Certainly if one views the PPGM guidance as a partial translation of national security objectives into more detailed military forces planning, the foreign policy community also has a legitimate role to play in effecting that translation.

Recommendation 9: Strengthening the staff of the Defense Program Review Committee (an NSC subcommittee chaired by an active Assistant or Deputy Assistant to the President for National Security Affairs) as the principal mechanism for defining and debating—for Presidential decision—selective major choices about the Defense budget. Issues should include planning and guidance for the regular Defense PPB process, major program and allocation decision, e.g., the number of carrier task forces, or the need for the B-1, and other principal issues generated in the programming phase of Defense PPBS.

Our prior recommendations concerning macro Defense/domestic trade-offs have implications for the fiscal guidance portion of the PPGM. Recommendations 2 and 3 called for a formal reconciliation of OMB and OSD planning figures for the Defense Total toward the end of the Programming Phase of the Defense PPB process. Further recommendations suggested explicit macro Defense/domestic programming trade-offs, principally during the mid-year budget preview in OMB and prior to the final program decisions (PDM's) at the end of the summer in OSD (Recommendations 5 and 6, above). From the standpoint of macro Defense/domestic resource allocation decisions and the administration of overall fiscal policy, the fiscal guidance provided by the Secretary of Defense should

[20]Former Budget Director, Charles Schultze, recommended the Secretary of State prepare a separate posture statement and that the reconciliation of it with the Secretary of Defense's statement be done by a Congressional Committee. Schultze, *JEC Hearings, op. cit.*, p. 55.

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be closely *coordinated* with OMB planning figures. Yet the desire of the Secretary of Defense to guide service and Defense agency plans within fiscal constraints that seem appropriate *from his perspective* also has considerable merit. Should the Secretary of Defense wish to plan at Defense Totals significantly different from levels assumed by the domestic side of the government (OMB) at the beginning of the budget preparation cycle, it would be a relatively easy matter for him to provide fiscal guidance to the services and Defense agencies in both a "basic" and "addendum" category. The addendum submission would enable the Secretary of Defense to examine and review a fuller range of service plans and programs and yet be able to sensibly conform to fiscal constraints dictated by overall government fiscal policy. The addendum portions of service-generated Program Objective Memoranda, their program budget requests, could easily feed into the mid-year macro Defense/domestic resource allocation deliberations of White House staff, as recommended above (see Recommendation 6).

VIII. Programming And Budgeting Phases Of Current PPB System: Description And Recommendations

The guidance package, the PPGM, issued in late March of each year serves to guide the construction of a Secretary of Defense approved Five Year Defense program during the spring and summer. The Joint Chiefs prepare a Joint Forces Memo consisting of force, procurement and manpower proposals consistent with the fiscal and policy guidance in the PPGM. In reality the JFM is a constrained version of the force proposals in JSOP 2. In the JFM, the JCS attempt to assess the "risk" associated with the constrained force structure, principally by comparing it with the unconstrained, JSOP 2 force structure. Although submitted for information only, the Joint Forces Memo is similar in its recommendations to the Program Objectives Memoranda (POM's) submitted by the services. For the services, at least, the same sets of participants prepare both documents. The POM's represent program budget requests, over a five-year period, for the military departments and Defense Agencies and are to be consistent with the guidance package.

Annually the guidance package will identify some "selected analyses," analytic papers prepared by the JCS and military departments to address particular topics identified by the Secretary of Defense. The analyses are submitted either before or with the POM's and are reviewed along with them. The OSD, Program Analysis and Evaluation staff prepares a series of Issue Papers which cross-cut the POM's. Referring back to Table 1, POM's are submitted for each of the major administrative units in the Department of Defense. Issue Papers are prepared for each of the major program categories and are used to evaluate the POM submissions. The Issue Papers generally focus on a few key issues in each program area and are circulated for comment to the JCS, Service Secretaries, DDR&E and relevant Assistant Secretaries of Defense prior to consideration by the Secretary. Based on the Issue Papers the Secretary, assisted by Program Analysis and Evaluation, issues a series of "tentative" program decisions. The tentative decisions are again circulated to the Joint Chiefs, the military departments and Defense agencies for their comments, a series of meetings are held and final program decisions are made in the form of a series of Program Decision Memos issued in late August. The final, approved program decisions are used to update the DOD Five Year Program, the FYDP.

A major thrust of the Laird-PPBS reforms was to push major decisions back into the programming phase by issuing explicit fiscal guidance. In the aggregate, these changes appear to have been successful. From FY 1972 to FY 1975 the aggregate of the Program Objectives Memoranda have never exceeded overall Defense fiscal guidance by more than a $100 million on a $71 to $89 billion total. Tentative Program Decision Memos exceeded the POM total by $1 billion for FY 1973 (during calendar 1971), was $.2 billion under for FY 1974 and was $.2 billion over for FY 1975. After comments from the military the amended PDM's exceeded the tentative PDM's by $.8 billion for FY 1973, with no change in the total for FY 1974 and FY 1975. (See also Figure 3, above).

It is difficult to assess directly whether the important Defense resource allocation decisions are made during the programming phase or the budgeting phase. Defense officials generally claim that the important decisions are made in the programming phase and that the budgeting phase is mostly a "scrub" or costing out of previously made program decisions. Defense officials claim that while the *net* effect of OSD considerations of the POM's is very small, less than $1 or $2 billion, the sum of the *absolute* values of *changes* would be more in the neighborhood of $10 billion. If this assessment is true, it means that (a) most of the major decisions are indeed made during the programming phase of the budget cycle and (b) in spite of the relatively loose OSD control mechanisms, in fact, the Secretary of Defense and his staff made very substantial changes in the proposals of the military departments and Defense agencies.

An example of the kinds of offsetting changes that might explain the disparity between the total changes in service and Defense agency POM's and

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their net fiscal implications is provided by the year in which the SALT agreement on ABM was achieved. That year there were a considerable number of reductions associated with ABM which were replaced by several new initiatives in the strategic area. For that year, even though the PDM total was slightly less than the POM total, the difference was much less than the downward ABM adjustments. Although the aggregate characteristics and relative importance of the Programming phase is fundamental to a complete understanding of Defense resource allocation processes, it is difficult to verify the suggestions of the circumstantial evidence presented here, namely that most major Defense resource allocation decisions are made in the Programming phase.

If in fact it is true that the major Defense resource allocations are reached in the Programming phase and the Budgeting phase consists mostly of fine tuning, technical costing-out of service programs and a detailed examination of the feasibility of various procurement and production schedules, then it is reasonable to investigate the appropriate role of non-DOD participants in the Programming phase. The exclusive reliance on the Defense Department to implement military programs and policies dictates that DOD should have prime responsibility in doing detailed force planning and in making deployment, manpower and weapons systems decisions, consistent with basic force posture decisions. This does not imply Defense choices in these areas should be free of meaningful, external reviews similar to those which non-Defense programs involving non-military forms of expertise are subject. Currently, existing external program review is centered in the Executive Office of the President—in the NSC-Defense Program Review Committee and the Office of Management and Budget through the Joint OMB/OSD Defense Budget Review. *Proposals for strengthening and extending current DPRC and OMB functions seem appropriate as a means of providing informed, external reviews of military programs and should focus primarily on the allocational decisions made during the Programming phase of the Defense PPB process.*

The current Secretary of Defense's observations in 1968 concerning the failure of *either* inter-service competition to generate a broad range of perspectives *or* of a central agency (Systems Analysis) to do the same seems especially appropriate:

> In recent years I have become less sanguine regarding the efficacy of inter-Service rivalry and criticism (useful as it may be) or the potential of the major Commands for flushing out new alternatives or criticizing obsolescent activities. Large hierarchical organizations, whether characterized by centralization, or by partial decentralization in tri-partite manner, or even by greater responsibility devolving to the Command level, tend to be remarkably efficient mechanisms for the suppression of new ideas and alternatives. In part, this is inevitable. Conceptual innovations are *disorganizing.* The Services, and especially the operating Commands, place a premium on *organization.* . . .
>
> On an intimately related point, the prognostications regarding the impact of small-group coalescence around a limited range of views have turned out to be distressingly germane for subsequent developments. . . . The particular set of decisions involved may be defended or questioned, but they do point to the risks inherent in the limited perspectives of a single group.[21]

Recommendation 10: Creation of procedures for a more meaningful external review of the DOD budget. Procedures should be devised for more formal participation of the National Security Program Division of OMB during the programming phase of the Defense PPB system. The most logical form of participation would be for OMB to assist the OSD Office or Program Analysis and Evaluation in a joint review and evaluation of the Program Objectives Memoranda and preparation of Issue Papers and tentative Program Decision Memoranda for consideration by the Secretary of Defense and the NSC. An alternate mechanism for external review would be to create an OMB capability for review of the Defense budget similar to its capacity to review the budgets of other federal agencies. This would involve the elimination of the current joint OSD/OMB fall review, replacing it with an OMB review, and expansion of the OMB's National Security Program Division staff.

[21]Author's note, bringing the basic paper, completed in 1964, up to date. James R. Schlesinger, *Defense Planning and Budgeting: The Issue of Centralized Control,* p. 3813, The Rand Corp., Santa Monica, 1968, pp. v-vi.

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Part II:
Acquiring Weapons

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Introduction*

As Secretary of Defense James R. Schlesinger told the Commission, the sole purpose of the Department of Defense is to provide the means to support American foreign policy. These means are military forces: men and weapons. Military forces support American foreign policy by:

- Deterring potential adversaries from the use, or the threat of force against the U.S.;
- Deterring potential adversaries from the use, or the threat of force against U.S. allies;
- Defending the U.S. and its allies, if deterrence should fail; and
- Projecting American power in support of our vital interests.

To provide these means, the Department of Defense must develop and deploy weapons tailored to specific objectives of American foreign policy. As American foreign policy changes, so do the requirements for forces. Taken as a whole, weapons must be available—and must be perceived by potential adversaries to be ready—in adequate numbers and with requisite capabilities to do the jobs promised by our foreign policy pronouncements. Otherwise, as Secretary Schlesinger argued to the Commission, statements by American political leaders will be taken as "intriguing or rhetorical" but lacking in relevance on the world policy scene. *Weapons acquisition is therefore a central activity of the Department of Defense, an activity with significant ramifications for every aspect of American foreign policy.*

Weapons acquisition is an arena of decision and action where government organization has especially large impact. In contrast to many other areas where government buys or delivers finished goods or services produced by private markets, the U.S. Government is the preponderant actor in every phase of weapons acquisition: requirements, research, development, procurement, and deployment. Weapons choices are not made at a single point, as if in buying goods off a supermarket shelf. Instead, important choices about weapons systems are made sequentially over a decade-long process of research and development. Since rarely is any individual involved in the entire developmental life of a single weapons system, organizations and organizational arrangements decisively structure weapons acquisitions.

Today, the proposition that the American weapons acquisition process is not working well com-

*The case studies summarized in Part III were prepared for the Commission on the Organization of the Government for the Conduct of Foreign Policy. Several drew on work being done for other purposes as well. This Summary Volume, compiled by Frederic A. Morris, makes full use of information and language from the studies. The full studies are available to the Commission in the "Background Volume on Weapons Acquisition." The studies are:

1. F-111: done by Robert F. Coulam and based in part on the author's larger study, *Illusions of Choice: Bureaucracy, Weapons Acquisition Policy, and the Development of the F-111. Fighter-bomber* (Princeton University Press, forthcoming).
2. U.S. Strategic Forces in the 1960's: done for the Commission by Graham T. Allison. The case draws on a thesis by D.J. Ball, "The Strategic Missile Programme of the Kennedy Administration, 1961–63" (Ph.D. dissertation, University of Melbourne, 1972.)
3. MIRV: done by Graham T. Allison and Richard Huff and based, in part, on Allison's "Questions About the Arms Race: Who's Racing Whom? A Bureaucratic Perspective," in Robert L. Pfaltzgraff, Jr., ed., *Contrasting Approaches to Strategic Arms Control* (Lexington, Massachusetts: D.C. Heath and Company, 1974).
4. ABM: done for the Commission by Frederic A. Morris. The case draws on John Newhouse, *Cold Dawn: The Story of SALT* (New York: Holt, Rinehart and Winston, 1973); Thomas Garwin, ABM Papers, untitled, undated; Morton H. Halperin, "The Decision to Deploy ABM: Bureaucratic and Domestic Politics in the Johnson Administration," *World Politics* (October, 1972); Benson D. Adams, *Ballistic Missile Defense* (New York: American Elsevier, 1971); and especially, Edward Randolph Jayne II, "The ABM Debate: Strategic Defense and National Security" (Ph.D. dissertation, Massachusetts Institute of Technology, 1969).
5. TRIDENT: analysis and evaluation done by John D. Steinbruner based on John D. Steinbruner and Barry E. Carter, "Organizational and Political Dimensions of the Strategic Posture: The Problems of Reform," July, 1974. Article forthcoming in *Daedalus*.
6. FDL: analysis and evaluation done by Anne Karalekas on the basis of Allison's "Military Capabilities and American Foreign Policy," *The Annals*, March, 1973.
7. Smart Bombs: done by Frederic A. Morris for the Commission. The description of the laser-guided bomb's development history relies heavily on Peter deLeon, "The Laser-Guided Bomb: Case History of a Development" (Santa Monica: The Rand Corporation, R-1312-1-PR, June, 1974). Morris is indebted to preliminary work by Thomas Garwin.
8. XM-1: done by Arthur Alexander for the Commission.

For comments and suggestions about this summary, we are grateful to Robert F. Coulam, Morton H. Halperin, Arnold Kanter, and Gregory F. Treverton.

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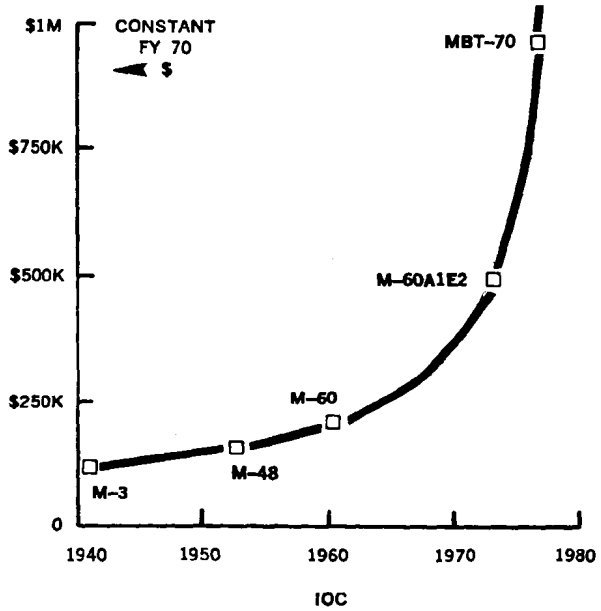
mands near unanimous consent. Some symptoms of trouble are plain to see. Some striking examples were presented graphically in testimony to the Senate Armed Services Committees Hearings on Weapons Acquisitions:

TABLE I.—SYMPTOM—COST OF THE TANK.



If one projects these trends in the currently fashionable doomsday style of the Club of Rome, one discovers that the current Air Force budget for fighter aircraft procurement—if it remains stable in constant dollars—will buy fewer than ten planes in the year 2000 and only one plane in the year 2020. In fact, this may understate the problem, since procurement budgets are not remaining stable in constant dollars, but are being forced to eat part of the current inflation. These trends of the last two decades will not be permitted to continue unchecked. Something must, and will be done. But the projections do define one important aspect of the problem.

These trends lead many defense-minded Americans to fear that "the current weapons acquisition process is pricing the U.S. out of the defense and war-fighting business," to borrow language from the present DOD Director of Net Assessments. (Some extreme advocates of arms control and disarmament have been heard to applaud the process on the grounds that it amounts to disarmament, even if "gold-plated, unilateral disarmament.") These symptoms have become a target for harsh criticism by generally friendly critics of DOD. For example:

The House Appropriations Committee:

TABLE II.—SYMPTOM—COST OF THE FIGHTER

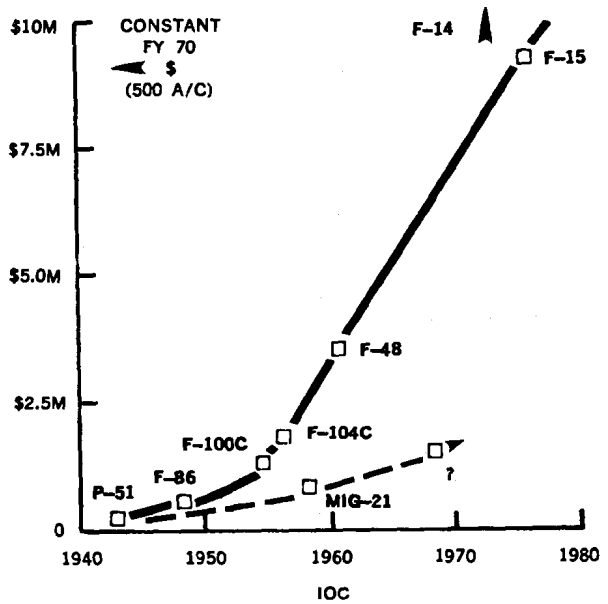
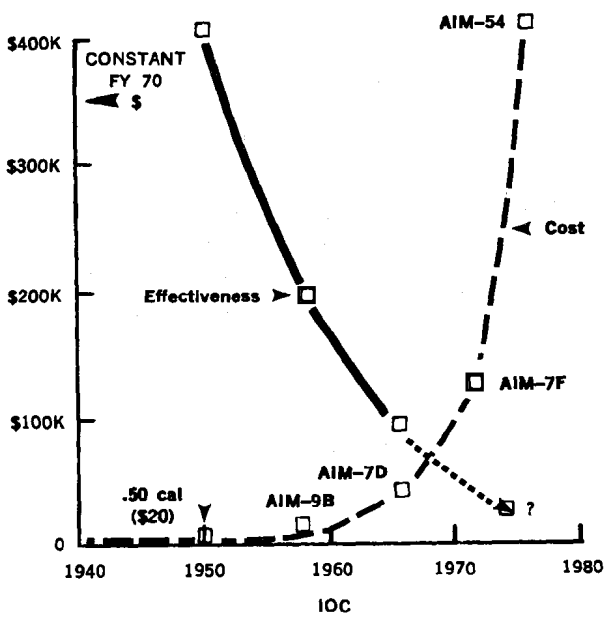


TABLE III.—SYMPTOM—COST OF THE AIR-TO-AIR MUNITION



What we need is not more dollars for Defense, but more Defense for the dollar.

Senator Stennis for the Senate Armed Services Committee:

The purchase cost of modern weapons systems has increased by many times even within the last few years. It was to be expected that a new fighter aircraft for the mid-1970's would cost considerably more than the fighters of World War II vin-

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tage. It is striking, however, that fighter aircraft now being developed for procurement in the mid-1970's will cost five to six times more than comparable aircraft at the beginning of the 1960's. The cost of tanks is increasing over fourfold during the 1965–1975 decade. A burst of .50 caliber machinegun fire, our primary air-to-air munition until the end of the Korean War, cost about $20; we are now developing tactical air-to-air munitions costing several hundred thousand dollars per round—an increase by a factor of tens of thousands. The avionics package in some types of new military aircraft will alone weigh two or more tons and cost several million dollars. *At over $1,000 per pound this is about twice as costly as gold.* [Emphasis added.] The foregoing tendencies are deeply troubling. If the geometric cost increase for weapons systems is not sharply reversed, then even significant increases in the defense budget may not insure the force levels required for our national security.

Deputy Defense Secretary Packard to the Armed Forces Management Association:

> Frankly, gentlemen, in Defense procurement, we have a real mess on our hands. Let's face it—the fact is that there has been bad management of many Defense programs. . . .

It was these symptoms that Secretary Schlesinger pointed to in the most provocative paragraph in his Annual Defense Department Report to Congress on FY 1975:

> We must not be forced out of the market—on land, at sea or in the air. Eli Whitney belongs to us. He, rather than the medieval craftsmen of Mont St. Michel or Chartres—however magnificent and unique their art—must once more become our model.

To compare the mind-boggling monuments of modern weapons technology like TRIDENT or the B-I to the most magnificent architectural achievements of medieval art strains the imagination. Perhaps both represent the outer limits of technical craftsmanship, essentially unconstrained by financial considerations. But the Secretary's call for the American weapons process to return to the tradition of the cotton gin strikes a responsive chord.

The supersophistication of products of the American weapons process—commonly referred to as "gold-plating"—is but one of the problems with this process. Other problems include:

- *Mismatches* between foreign and defense policy objectives on the one hand, and weapons performance characteristics on the other, e.g. F-111, ground-support aircraft, ASW, B-I.
- *Rigidities* in roles, missions, and programs that constitute the major elements of our forces, e.g. carriers, manned bombers, tanks.
- *The limited, biased menu of weapons:* The weapons presented to the Secretary of Defense and Congress for procurement are heavily biased toward service interests, e.g. MBT-70, B-1, ABM.
- *Insufficient attention to arms control objectives:* Decisions about weapons research and development and procurement importantly affect the prospects for arms control, but are made with limited attention to these effects, e.g. MIRV, FBS, etc.
- *Limited civilian understanding of the weapons acquisition process:* Because of the extraordinary limits of successive Defense Secretaries' understanding of the weapons process, each has been hobbled in exercising political authority effectively. None has been able to resist interventions that were counterproductive.
- *Sluggishness in adapting new technologies* that do not fit neatly into the current allocation of missions and weapons, e.g. mines, cruise missiles, and precision-guided munitions.
- *Overbureaucratization:* As Admiral Rickover has pointed out repeatedly, today the normal weapons process requires ten times as many layers of bureaucratic approval at each step as there were in the successful POLARIS program.
- *Absence of individual responsibility for weapons* (and pieces thereof): During developmental life of the normal weapon, project managers change twice, Secretaries of Defense three times, and many other participants even more frequently—thus limiting responsibility, and accountability for the final product.

A limited set of cases cannot hope to illustrate all of these (and the many other) problems in the weapons acquisition process. Our hope is that the selection of cases that follow will illuminate some important problems in the weapons process and provide a base for formulating some recommendations about remedies.

A word of caution, however, is in order. Over the past decade the U.S. has acquired over 400 separate weapons systems at a total cost of over $200 billion. Systems currently authorized for acquisition will cost another $200 billion over the next decade. The enormity and complexity of the weapons acquisition process reaches such proportions as perhaps to defy human comprehension. The weapons acquisition process obviously encompasses many different processes—from planes to submarines, from arsenals to private industry, from total systems to components. Diagnosis of "the problem" by recent studies and by officials recently involved point to many different factors. Despite numerous studies, deep understanding of the process and its prob-

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lems is very limited. It is hard to argue with the assertion of A.W. Marshall, presently Director of Net Assessments, DOD, that "no one really understands the U.S. weapons acquisition process."

One of the major lessons of these cases is this poverty of understanding of weapons acquisitions. One of the chief recommendations concerns the establishment of mechanisms that will in time provide a much stronger analytic base, as well as regularized identification of problems and suggestions about remedies. Nonetheless, the cases that follow do identify important problems in the weapons process and do make recommendations about changes that seem likely to push the process in the right direction. The tentative judgments about inadequacies and recommendations about ways of strengthening the process will serve as grist for the Commission's mill as it attempts to make use of all the research and testimony at its disposal in formulating recommendations.

The eight cases presented in this volume are: F-111, Strategic Forces in the 1960's, MIRV, ABM, TRIDENT, FDL, Smart Bombs, and the XM-1. These cases are developed against a backdrop of as many as a hundred other systems, and with explicit reference to more than twenty-five case histories of weapons. A majority of the cases focus on strategic weapons—reflecting a judgment that these systems are the most important to U.S. security, and also the most relevant for a study of defense and arms control.

We begin with an extended case (or if one prefers, four overlapping cases) on a major weapons development of the 1960's, the F-111. This lead case is presented at somewhat greater length than the others in order to give readers a richer picture of the details of the process in context. *The* tactical fighter developed for both the Air Force and the Navy during the 1960's, the F-111 represents a major attempt to change weapons design in response to a change in foreign and defense policy and strategy. In contrast to the Eisenhower strategy of massive retaliation, President Kennedy wanted flexible forces capable of fighting limited wars, and then Secretary of Defense Robert McNamara meant for the F-111 to serve this limited war mission. At the same time, the F-111 represented one of McNamara's major efforts to achieve greater efficiency in U.S. forces, by buying one plane for two services, instead of two separate fighters the Air Force and Navy had intended to purchase. Although the system proved controversial, that controversy made available thousands of pages of documents and hearings, which make it an accessible subject for analysis. One of Secretary McNamara's chief priorities, a project that received sustained high-level attention, the F-111 stands as the symbol of weapons acquisition in the 1960's.

In fact, when it emerged at the end of the pipeline, the F-111 was less a limited war fighter than it was a light, strategic nuclear bomber. A number of the F-111's entered U.S. strategic forces, the subject of the next four cases. The second case, "U.S. Strategic Forces in the 1960's" provides an overview, focusing not on a specific weapon system, but rather on the overall *size* of forces available for the strategic nuclear mission. The question is: why in the 1960's did the U.S. acquire 1,000 MINUTEMEN, 656 POLARIS SLBM's, and 600 bombers rather than half or twice each of these numbers?

The third case examines the major strategic issue of the late 1960's and early 1970's (and the primary issue in recent arms control negotiations), MIRV. The American decision to develop and deploy MIRV brought a dramatic increase in the number of U.S. warheads, and in U.S. nuclear war-fighting capabilities. The U.S. decision to complete development of MIRV before making a serious effort to reach an arms control agreement preventing MIRV made likely Soviet acquisition of MIRV and eventual vulnerability of U.S. land based systems, thus yielding the current debate about war fighting. The arms control implications of unilateral U.S. weapons choices were not much examined in this process. As presented here, the case also provides a small window onto the much larger issue of the "arms race" so called, and the interaction of U.S. and Soviet strategic forces. At every stage in American MIRV research, development, and acquisition, the U.S. MIRV was largely explained and justified —and understood by Congress and the public—as a U.S. reaction to Soviet ABM. In fact, U.S. MIRV research began before Soviet ABM, and U.S. deployment of MIRV continued after the SALT I agreement banned large-scale ABM systems. The case thus casts light on some of the other factors, particularly organizational factors, that drove U.S. development of MIRV and that affected the public rationale for MIRV.

The fourth case examines ABM, focusing specifically on the issue of the menu of alternatives available to President Nixon in 1969. For a number of reasons, President Nixon decided to deploy ABM's and wanted an ABM that would provide hard-site defense, that is, defend U.S. missiles. In fact, the SAFEGUARD system deployed had minimal hard-site defense capabilities. No other option on the menu from which the President chose had a greater hard-site capability, though such systems were clearly within the realm of technical feasibility. The question in the case is why the menu was so limited.

The fifth case examines the major strategic decision of the Nixon Administration, the TRIDENT submarine, intended as a successor to POLARIS, meant to be the most reliable element of U.S. strategic forces into the twenty-first century. Ac-

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cording to many critics, TRIDENT may become the F-111 of the 1970's. The case focuses on the process within the Navy that produced TRIDENT's design specifications, and efforts of responsible decision-makers to affect that process.

Our final three cases examine weapons systems developed for U.S. general purpose forces (as was the F-111). The subject of the sixth case is FDL (Fast Deployment Logistic ship), one of the few weapons recommended by the Secretary of Defense and rejected by Congress. Senator Richard Russell opposed this component of a fast deployment strategy with a simple, provocative argument:

> If Americans have the capability to go anywhere and do anything, they will always be going somewhere and doing something.

This case reviews both the merits of Russell's arguments and the relevance of such considerations to defense weapons purchases.

The seventh case examines Smart Bombs, "Precision-Guided Munitions," developed slowly through the 1950's and 1960's and eventually used with such effect in the Christmas bombing of Hanoi in 1972. The issue is why the Air Force was so long in developing and so slow in using Smart Bombs.

The final case examines the XM-1, the current version of the Army's campaign to get a new tank. The role of Congress in rejecting the Army's previous tank design, the MBT-70, and the part played by the Special Armor Task Force in designing the new tank to a fixed cost are explored as important ingredients in what promises to be a success story.

Presentation of the cases in Part II is organized as follows. Chapters 2–9 present the cases; chapter 10 draws lessons from the evidence and analysis of the cases, identifies inadequacies in organizational arrangements, and suggests recommendations about possible remedies.

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The F-111*

Based on a Case by Robert F. Coulam

Robert McNamara came to the Pentagon determined to improve the cost-effectiveness of defense purchases. He also wanted to strengthen the nation's limited war capability. The TFX presented an opportunity to do both. After barely three weeks in office, McNamara directed the Navy and the Air Force to combine their separate plans for new tactical aircraft. One tactical fighter would be developed to serve the needs of both services into the 1970's. Out of this shotgun wedding between Air Force and Navy requirements, the biservice F-111 was born.

Despite McNamara's intentions, the plane's actual, stated requirements emphasized a single, Air Force, general war mission: nuclear interdiction. During the development process, this emphasis on nuclear interdiction and its associated performance parameters severely constrained achievement of the other, presumably more important, limited war requirement. In the end, the Navy version of the aircraft, the F-111B, was cancelled. No F-111's flew off carriers in an operational role, because zero were procured—though development costs exceeded $375 million. In addition, the Navy was allowed to develop its own fighter, the F-14. The Air Force ultimately acquired one-third as many F-111's as originally planned, at twice the total program cost. In addition, it also proceeded to develop its own tactical fighter, the F-15.

The F-111 differs from the normal story of weapons development chiefly in two respects: the magnitude of the ambition and the drama of the failure. This case has something to say about both. It explores in detail the essentially service-unilateral process by which military requirements are established; the effect of these requirements on developments that follow; and the consequent limits on the ability of political officials to exercise informed choices about weapons acquisition until the range of choice is severely restricted.

This chapter is divided into three sections. Section I describes four major phases in the history of the F-111: (1) service formulation of military requirements for new tactical aircraft; (2) McNamara's merger of separate requirements into joint requirements for a single plane; (3) the source selection process culminating in award of the contract to General Dynamics; and (4) development of the F-111 from 1963 to 1968. Each of these phases can be thought of almost as a case in itself, though the first two phases are the primary target. Section II analyzes each of these phases in terms of the major questions about organizational impact posed by the Commission guidelines. Section III presents a brief evaluation of the F-111, using the Commission's checklist. Section IV enumerates the problems regarding weapons acquisition which are displayed in the F-111 case.

I. OVERVIEW

Weapons programs characteristically begin with the establishment of a set of formal program requirements by the military command that is to use the weapon. In elaborate detail, these requirements stipulate the weapon performance, cost, availability, and other features that the service desires to obtain from the program. Aerospace contractors compete to develop the weapon. The contractor that wins the competition receives a contract to perform the actual technical development. After development efforts (lasting a few years) yield hardware prototypes testing of the weapon begins—for example, with extensive flight tests for a new aircraft. A production decision occurs sometime during this testing period (often quite early in the period). Normally, the contractor that develops the weapon is the contractor that produces it in volume for operational use.

The F-111 program conformed to this sequence, except in the earliest years of the program, when formal requirements were being established. In the

*This summary and analysis was prepared by Graham T. Allison, drawing on Robert F. Coulam's case. That case, related to a larger project of the author's, benefited from interviews with participants in the events recounted. Those interviews were conducted on a "background" basis. This analysis has profited from extensive comments by Dan Caldwell, Alex George, Arnold Kanter, Frederic A. Morris, Richard E. Neustadt, Richard Smoke, and John D. Steinbruner.

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late 1950's, the Air Force and the Navy each established a formal requirement for a new tactical fighter. McNamara confronted these separate requirements when he assumed office in 1961, and he moved immediately—and in the end successfully—to combine them into a joint development program based on the Air Force requirement. However, in establishing the joint program, he and his associates failed to modify the demanding nuclear mission embodied in the Air Force requirement, making the F-111 too heavy and unmaneuverable for the flexible role McNamara intended for the plane. By the time McNamara became aware of the problem in 1966, it was too late to modify the aircraft in any substantial way.

A. The Selective Incrementalism of the Requirements Process: Establishing a Requirement for the TFX

Tactical aircraft are weapons of extraordinary complexity. The possible combinations of engines, aerodynamic features, avionics, weaponry, and other components that can be incorporated in a tactical aircraft are virtually infinite. Moreover, the number of possible missions or scenarios for which a tactical aircraft may have to be prepared is also vast, as it includes (within certain outer limits) an enormous array of possible altitude, speed, load, maneuverability, and other sequences. And to make matters even more difficult, any attempt to match means to ends—that is, in practice, to match capabilities to missions—runs up against high uncertainty as to which missions and capabilities are the most important, and up against physical realities that impose stringent trade-offs among capabilities and hence among missions for which the plane can be optimized.

In the abstract, then, the formulation of requirements for a new fighter aircraft is a problem of great complexity and uncertainty. In practice, however, organizations avoid much of this complexity and uncertainty, concentrating instead on a small set of standard scenarios that simplify the problem of matching capabilities to missions. One standard scenario is usually established as the dominant operational contingency for which the organization will prepare. Remaining standard scenarios are distinctly subordinate. For the dominant scenario, certain performance parameters (such as top speed, ferry range, and altitude capability) assume special importance, as the quantitative expression of the engineering criteria of the dominant scenario. Capability for subordinate scenarios is achieved as by-product or "fallout" of the capabilities required for the dominant scenario. The dominant scenario and the performance parameters it emphasizes evolve over time in response to operational experiences, perceived technological opportunities, budgetary emphases, interservice rivalries, and other factors.

1. The Air Force

In the Air Force, the Tactical Air Command (TAC) is charged with three basic missions: (1) *close air support*—air cover for friendly ground troops; (2) *air superiority* (or counter-air)—control of the skies over the combat zone; and (3) *air interdiction*—reduction of enemy supply and mobility capability through aerial bombardment. Historically, at any point in time, TAC has seen one mission as more important than the others. Select requirements of the central mission have then dominated technical efforts to develop a new aircraft or to improve an existing one. Dominant missions and performance characteristics, however, are not immutable. Disasters in combat experience or sharp shifts in budget emphases can occasion great debates within TAC. They can also prompt changes. Lacking such pressure, however, requirements for new aircraft are routine follow-ons to existing aircraft, incorporating improvements along the major performance dimensions emphasized in the old aircraft.

This process can be observed in the evolution of Air Force fighter-bombers since World War II. As detailed by Richard Head, the central design lesson of World War II for the Air Force was the importance of speed in reducing combat losses.[1] Since the air superiority mission required the highest speed to overcome enemy aircraft, the Air Force commonly designed fighter aircraft to achieve high speed and then accepted whatever bomb-carrying capability was available as a consequence. The postwar evolution of fighter aircraft designs illustrates this doctrine: from the F-84 to the F-111, each generation fighter-bomber possessed a top-speed increase over the prior generation.[2]

In the 1950's, the rise of the Massive Retaliation doctrine, reinforced by budgetary choices, led TAC to place greater emphasis on the interdiction mission, particularly nuclear interdiction. This emphasis first became apparent in the F-100, a plane that first flew in 1953. The original F-100 was designed closely to the speed requirement of the air superiority mission. Indeed, it was the first operational aircraft to be capable of combat maneuverability and sustained flight at supersonic speeds. However, under the influence of the Massive Retaliation doctrine, the plane later evolved into a fighter-bomber

[1] Richard G. Head, *Decision-Making on the A-7 Attack Aircraft Program* (Unpublished Ph.D. Dissertation, Syracuse University, 1970), p. 105. See also pp. 115–116.

[2] *Ibid.*, and Stuart M. Levin, "The F-15: The Teething of a Dogfighter," *Space/Aeronautics*, Vol. 52 (December, 1969), p. 40.

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(in the C, D, and F versions) through changes in its electronic subsystems and modifications of its provisions for external bombs. In the end, the Air Force procured ten times as many of the fighter-bomber versions as of the original air superiority version.[3]

The follow-on to the F-100 was the F-105, a plane "designed from radome to after burner eyelids as a TAC nuclear weapons delivery airplane."[4] As Head has observed, "This emphasis on the design of fighters to carry tactical nuclear weapons exemplified the trend of the Air Force in the 1950's, to have the Tactical Air Command participate in the strategy of Massive Retaliation."[5] The budget dollars were there and TAC did not want to be left out.

From its first flight in 1955 the F-105 provided top speed, low-altitude speed, range, and other improvements over the F-100. It was particularly designed for the high-performance delivery of nuclear weapons at low altitudes. The first version of the F-105 did not even have adequate provision for *carrying* conventional ordnance. Its main provision for ordnance carrying was the internal bomb bay—the first to be incorporated in a fighter-bomber—which would allow a compact weapons load (tactical nuclear weapons) to be carried internally, a feature necessary to reduce aerodynamic drag for low-altitude operation. The resulting mission profile would permit nuclear weapons delivery at a low-altitude, high-speed combination which enemy interceptors would have difficulty matching. Nuclear interdiction at low altitudes and high speeds had emerged as the dominant TAC scenario, as the budget environment shaped the organization's perception of the combat environment.[6]

In spite of these features, the F-105 and, indeed, all manned strike aircraft faced a growing threat of obsolescence. Early in the life of the F-105, the Russians launched Sputnik, and the specter of nuclear-tipped missiles became vivid. American missile efforts accelerated. The advent of missiles raised in some minds questions about the need for manned aircraft in the strike role.

This threat to the role of tactical aircraft was not left implicit. In 1958, the primary consumer of TAC's nuclear interdiction aircraft dropped a bombshell. General Lauris Norstad, Supreme Allied Commander in Europe (SACEUR), who held ultimate operational command over Air Force tactical aircraft in Europe, argued that tactical aircraft in Europe had become too vulnerable and ought to be replaced with medium-range ballistic missiles (MRBM's).[7] The message registered instantly: Europe was the most likely theater of engagement for TAC's tactical nuclear capability.

The vulnerability of tactical aircraft in Europe stemmed in large part from the ever-extending length of visible concrete runway needed for take-offs and landings. While the F-100 had required 9,000 feet of runway for take-offs and landings, the F-105 required 10,500 feet.[8] As an English writer observed,

> With full external load, the modern tactical aeroplane needs up to two miles of high-strength concrete. *This is a crippling handicap, which would never have been accepted had it not come about in gradual increments over a period of years.* In many parts of the world it is physically impossible for such a runway to be constructed; and when an operating platform to this standard has been built . . . it becomes an immovable and unconcealable target which would almost certainly be destroyed within a few minutes of the start of a "hot" war [emphasis added].[9]

The "gradual increments" of concrete runways could no longer be tolerated. Enemy missiles made such runways vulnerable, and American missiles could conceivably perform the mission of the aircraft which needed the vulnerable runways. TAC's control of the nuclear interdiction mission was in jeopardy.

In this context, the commander of TAC, General F.F. Everest, moved rapidly to establish requirements for a successor to the F-105. With considerable technical assistance from the National Aeronautics and Space Administration (NASA), Everest formulated a tentative set of requirements for the new aircraft, labeled TFX. He wanted a fighter able: (1) to carry a compact weapons load (tactical nuclear weapons) internally; (2) to fly across the Atlantic Ocean (3,300 miles) without refueling; (3) to operate from dispersed, semi-prepared fields in

[3]Thomas Marschak, "The Role of Project Histories in the Study of R&D," in Thomas Marschak, Thomas K. Glennan, Jr. and Robert Summers, *Strategy for R&D: Studies in Microeconomics of Development* (New York: Springer-Verlag, 1967), pp. 92–96; and Head, pp. 114–116.

[4]Leon H. Dulberger, "Advanced Fighter-Attack Aircraft," *Space/Aeronautics*, Vol. 45 (April, 1966), pp. 80–81; George Weiss, "The F-111: The Swing-Wing May Surprise You Yet," *Armed Forces Journal*, Vol. 108 (July 19, 1971), p. 23; and Interview 21.

[5]Head, *op. cit.*, p. 90.

[6]Dulberger, "Advanced Fighter-Attack Aircraft," p. 81; Head, p. 90; *Jane's All The World's Aircraft, 1961–1962* (New York: McGraw-Hill, 1961), pp. 296–297; *Jane's All The World's Aircraft, 1970–1971* (New York: McGraw-Hill, 1970), pp. 339–340; U.S. Congress, Senate, Committee on Government Operations, Permanent Subcommittee on Investigations, *TFX Contract Investigation*, Hearings, 88th Congress, 1st Session (1963), Part 1, p. 19 (this series of hearings herinafter cited as *TFX Hearings—First Series*); Weiss, p. 23; and Interview 21.

[7]*Ibid.*, p. 38.

[8]W. T. Gunston, "TFX: A Next-Generation Military Aeroplane," *Flight International*, Vol. 81 (February 8, 1962), p. 208. Figures are approximate for both aircraft, fully loaded with fuel and external ordnance.

[9]*Ibid.*

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Europe; (4) to reach a maximum speed of Mach 2.5 (2.5 times the speed of sound) for engagements with enemy fighters; and (5) to travel at Mach 0.9 at low altitude (below an enemy's radar [10]) for 400 miles.[11]

These requirements represented incremental extensions of the F-105's design emphases, maintaining the main mission: the highspeed, low-level delivery of nuclear weapons.[12] As with the F-105, the TFX's only specific ordnance requirement was the capability to carry tactical nuclear weapons internally.[13] The requirements established no mission profile for the delivery of conventional ordnance; the aircraft was to be capable of carrying conventional bombs, but in unspecified quantities.[14] The proposed top speed requirement for the TFX of Mach 2.5—seen as necessary for performing the air superiority mission—represented a marginal improvement over the Mach 2.25 top speed of the fastest F-105's, the F-105F's.[15]

While the TFX requirement generally extended the mission emphases and performance capabilities of the F-105, it departed from the F-105 in two important respects. First, it added a requirement for takeoff from short, semi-prepared fields:

> The F-105D was regarded by the USAF as its most versatile equipment for fighting any kind of war, but General Everest did not welcome its need of a 10,500 ft. runway. He formulated the view that the correct TAC aeroplane should fly similar missions from the 3,000 ft. field, without any previous preparation of the surface.[16]

Second, it included a requirement for unrefueled transoceanic range. Taken together, the range and semi-prepared field requirements lessened the vulnerability of tactical aircraft in Europe. The proposed aircraft could be based in the United States and fly to an unprepared (and hence, unpredictable) field at the outset of hostilities.[17] Given the alleged unpredictability of these field locations, the runways for TAC aircraft could not easily be destroyed in a preemptive attack.

For all these benefits, the transoceanic range and semi-prepared field requirements also added a critical new dimension to the design of the proposed aircraft. Without these two additional requirements, the plane would likely have been designed as a delta-wing, turbo-jet aircraft, embodying only evolutionary refinements in the airframe and propulsion areas.[18] To meet these two demands, however, the new aircraft would require variable-sweep wings and turbo-fan engines. Not surprisingly, Everest campaigned for a crash program on the new aircraft, since it was needed to remedy "a serious deficiency in his command"—and a serious threat to the Air Force's tactical mission.[19]

General Everest began the process of winning the Air Force Headquarters ratification of the formal requirements TAC had composed. He succeeded in February, 1960, when the System Development Requirement was approved. The System Development Requirement was followed, in July, 1960, by Specific Operational Requirement Number 183 (SOR-183), officially committing the Air Force to what was now being called the TFX project.

During General Everest's campaign to obtain the approval of Air Force headquarters for the new program, the original TFX requirements underwent a crucial modification. Somewhere in the process of ratification, the proposed speed of the long-range, low-altitude dash was increased from high subsonic (Mach 0.9) to Mach 1.2. Subsequently, NASA, as well as Air Force's own technical staff, predicted that this increase would cause important size and weight problems in the new aircraft.[20] This modified requirement for the sea-level dash placed unique burdens on the design of the aircraft. The air at low altitudes is both dense and turbulent. In such a medium, the aerodynamic drag and structural stresses on an aircraft are particularly high, requiring a more rigid and aerodynamically-refined structure of the aircraft. Moreover, because of the higher

[10]Radar can see only in a straight line. For example, at a fifty-foot altitude, normal radar can see only sixty to eighty miles to the horizon. Hence, the lower a plane's approach to the target, the longer before the plane is detectable by enemy radar.

[11]Robert J. Art, *The TFX Decision: McNamara and the Military* (Boston: Little, Brown, 1968), pp. 15–18; Robert L. Perry, *Innovation and Military Requirements: A Comparative Study*, Rand Memorandum RM-5182-PR. (August, 1967), pp. 68–69; and *TFX Report*, pp. 5–6.

[12]*TFX Report*, p. 5. That the F-105 was intended exclusively to deliver nuclear weapons is clear from the fact that the early F-105's lacked adequate provisions even for *carrying* external ordnance. See U.S. Congress, Senate, Committee on Armed Services, *Fiscal Year 1962 Authorizations for Military Procurement*, Hearings, 87th Congress, 1st Session (1961), pp. 19, 83; *TFX Hearings—First Series*, Part 3, p. 720; and *TFX Report*, pp. 5–6.

[13]Larry Booda, "Rift May Affect TFX Role, Configuration," *Aviation Week and Space Technology*, Vol. 79 (September 1963), p. 26; U.S. Congress, Senate, Committee on Government Operations, Permanent Subcommittee on Investigations, *TFX Contract Investigations*, Hearings, 88th Congress, 1st Session (1963), Part 3, p. 720, and *TFX Report*, pp. 5–6.

[14]See Notes of the ICARUS meeting, September 10, 1966, in U.S. Congress, Senate, Committee on Government Operations, Permanent Subcommittee on Investigations, *TFX Contract Investigation (Second Series)* (1970), Part 3, p. 548. (These hearings are cited hereinafter as *TFX Hearings—Second Series*.) See also Part 1, pp. 183–198 of these hearings.

[15]Art, *op. cit.*, p. 18; Head, *op. cit.*, p. 105; and *Jane's All the World's Aircraft, 1970–1971* (New York: McGraw-Hill, 1970), p. 340.

[16]Gunston, *op. cit.*, p. 208.

[17]Alternately, these planes could be based in Europe, but dispersed to the semi-prepared fields at the first sign of attack.

[18]Interview 22. Note: for interview key, see full case.

[19]Art, *op. cit.*, pp. 16–18, 44–45; and Gunston, *op. cit*, p. 208.

[20]Perry, *op. cit.*, p. 70; *TFX Hearings—First Series*, Part 1, pp. 13–14; and Government report provided to the author.

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drag, fuel consumption is greater, requiring a larger volume in the aircraft for fuel storage. Indeed, this fuel requirement would dictate the size and weight—and to a considerable degree the cost—of the aircraft. Finally, in spite of the extent to which it would increase the design difficulty, aircraft weight, and program cost, this supersonic, sea-level capability would be usable only on a mission for which ordnance was stored internally—that is, only on a nuclear mission. A higher tonnage conventional mission, for which bombs would have to be "hung" from the wings, would generate too much drag for the plane to have sufficient range at supersonic speeds.[21]

Compared to the F-105, the proposed TFX promised both range and speed increases on the low-level dash of the dominant scenario of nuclear interdiction—this, in addition to its higher top speed for enhanced air superiority performance and its unique transoceanic range/semi-prepared field capabilities for neutralizing claims of aircraft-airfield vulnerability. As Robert Art's study of the TFX concludes, TAC was primarily interested in the delivery of nuclear weapons as it defined a new requirement for its successor to the F-105. It gave only lip service to its other missions. The exclusively nuclear utility of the proposed TFX was consistent with TAC's purposes. TAC would have an airplane with unique penetration capability, one able to "compete with the missiles" in the delivery of nuclear weapons.[22]

Overall, the process that produced the TFX requirement can best be characterized as selective incrementalism. From the F-86 to the TFX, TAC decision-makers focused on select parameters of a dominant scenario: the air superiority mission for the F-86 and F-100, and the low altitude, high speed delivery of nuclear weapons for the F-105 and TFX. The exclusive scenario represented an extreme simplification of the environment. It allowed TAC to monitor a few variables of aircraft performance related to the combat environment, and thus to reduce greatly the burdens of information processing that would otherwise be confronted in establishing a new requirement. The general criterion for a new requirement was that it make incremental improvements on the select variables of performance being monitored. Hence, from the F-86 to the TFX, top speed, low-altitude speed, maximum range and combat ceiling capabilities improved for each new generation of aircraft. Performance parameters *outside the few parameters of the exclusive scenario* often did not. For example, approximate measures of acceleration and maneuverability critical to the air superiority mission—the thrust-to-weight ratio and wing-loading [23]—were inferior on the TFX as compared to the F-105.[24] Yet at the time (1960), the Air Force believed that its planned thirty-five-ton, ninety-foot long plane would possess air superiority capability, simply because of the plane's high top speed—Mach 2.5 at high altitude.[25]

This Air Force tendency to focus on a single scenario had perhaps best been described by current Defense Secretary James Schlesinger, in a 1967 Rand study examining force optimization in the Air Force. Schlesinger concludes:

> . . . insufficient attention has been given to examining the implications for force composition of the wide range of conflicts in which the United States might become engaged. Implicitly, it is accepted that forces optimized for one kind of war will be suitable for other kinds of war; that forces designed for a major struggle (for example, an all-out Soviet assault in Europe) will prove quite adaptable for lower-order conflicts. As between types of conflict, the relevance of optimization seems to disappear, because it is assumed that lower-order capabilities are automatically provided as spillovers from capabilities for major conflicts. In short, forces are viewed as highly complementary for certain major conflicts, but the same forces are seen as highly substitutable in different conflicts. For a specific conflict, optimization is crucial, but among conflicts it is insignificant . . . The ultimate effect of any such line of thought, it should be noted, is that optimization of forces is achieved by con-

[21]Booda, *op. cit.*, p. 26; *TFX Hearings—Second Series*, Part 1, pp. 189–190; and Interview 16.

[22]Art, *op. cit.*, pp. 16–18, 45. See also Alain C. Enthoven and K. Wayne Smith, *How Much Is Enough? Shaping the Defense Program, 1961–1969* (New York: Harper & Row, 1971), pp. 262–266. On the need for this "on-the-deck" supersonic capability to penetrate Soviet defenses, see Larry Booda, "Soviet Gains Blunt U.S. Bombers Potential," *Aviation Week and Space Technology*, Vol. 75 (August 14, 1961), pp. 26–27.

[23]Thrust-to-weight ratio is the ratio of engine thrust to aircraft mission weight. Wing-loading is the ratio of aircraft gross weight to wing area. Other things being equal, a higher thrust-to-weight ratio provides greater relative thrust for acceleration and maneuvers, and a lower wing-loading provides greater excess lift for maneuvers.

[24]*Jane's All The World's Aircraft, 1957–1958* (New York: McGraw-Hill, 1957), p. 339; *Jane's All The World's Aircraft, 1970–1971*, p. 340; and *TFX Hearings—Second Series*, Part 1, pp. 59, 199–204.

[25]The assumption that top speed was the decisive criterion for air superiority was a routine extension of the World War II and Korean War experience in *subsonic* aerial combat, where top speed was indeed a decisive factor in aircraft survivability. The routine extension of the "top speed lesson" drawn from subsonic experience became increasingly inappropriate as aircraft speeds moved higher in the supersonic regime. See Head, pp. 113–116; Stuart M. Levin, "Why the Swing-Wing?" *Space/Aeronautics*, Vol. 50 (November, 1968), p. 51; Robert C. Seamans, Jr., "Tac-Air: A Look at the Late '70's," *Air Force Magazine*, Vol. 56 (January, 1973), p. 33; and *TFX Hearings—Second Series*, Part I, p. 59.

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templating a single type of conflict—and ignoring the rest.[26]

As Allison has observed, when organizations cannot negotiate their environment—when they cannot establish a fixed set of relationships with the environment, as the Air Force surely cannot with the future combat environment—they "deal with remaining uncertainties by establishing a set of *standard scenarios* that constitute the contingencies for which the organization prepares." [27] The scenarios will be widely believed in the organization to be objective maps of critical relationships in the environment. In fact, however, they will represent biased and selective simplifications of the environment and will be highly resistant to contradictory evidence.

The exclusive scenario itself evolved in response to information from routine channels to which TAC decision-makers were attentive—such as, the shift of budgetary funds away from tactical aircraft under the Massive Retaliation doctrine of the 1950's. The exclusive scenario provides a widely held simplification of the requirements problem that achieves the status of a service doctrine.[28] It is reflected and rooted in the plans, training, informal expectations, and hardware capabilities of the organization. It gives meaning to the design emphases in an aircraft and to the operational expectations of the organization. Dramatic shifts in the exclusive scenario would be extremely disruptive. Such shifts are accordingly rare. Hence, the shift from air superiority to nuclear interdiction emphasis in the 1950's occurred over two generations of aircraft and did not in any event displace the importance of high top speeds. Later, when the nuclear interdiction scenario became critically challenged by other information, to which TAC was also attentive—namely the fundamental challenge to tactical aircraft from ballistic missiles in the latter 1950's—the response attempted to neutralize the threat. Requirements were added for the TFX which freed the aircraft from long, vulnerable concrete runways. But the only mission profile articulated in the requirements remained the nuclear interdiction mission, as evolved from the F-105. The scenario itself was undisrupted, and no higher order calculation was demonstrated. In short, the TFX requirement (SOR-183 of 1960) was *organizationally* incremental, even though the swing-wing, turbo-fan aircraft being contemplated was fairly radical in *hardware* terms.

[26]James R. Schlesinger, "Organizational Structures and Planning," in Roland McKean (ed.), *Issues in Defense Economics* (New York: National Bureau of Economic Research, 1967), pp. 199–201.

[27]Graham T. Allison, *Essence of Decision: Explaining the Cuban Missile Crisis* (Boston: Little, Brown, 1971), p. 84.

[28]See Head's discussion of aircraft design doctrine in Head, *op. cit.*, pp. 83–142.

2. The Navy

At the time the Air Force was establishing SOR-183, the Navy was also formulating requirements for a new tactical fighter. The Navy's main concern involved defense of the surface fleet from air attack, as it feared that future enemy fighters would be able to fire air-to-sea missiles at the fleet from unusually long ranges. To counter this threat, the Navy needed a new fighter that could identify enemy planes and shoot them down at an extended range —that is, shoot them down before they fired their missiles at the fleet.

The Navy was divided on how best to meet these broad requirements. Clearly, a long-range air-to-air missile system was required; but the characteristics of the aircraft—the "missile platform"—were a matter of considerable debate. Some in the Navy air arm felt that, without a supersonic capability, the proposed aircraft would be obsolete when it was deployed.[29] Others felt that, since the actual interception was to be performed by the long-range, high-speed missile, it was unnecessary "to bore supersonic holes in the sky" with the aircraft.[30]

In the end, advocates of a simpler, subsonic aircraft emerged victorious. This decision to accept subsonic capability on the aircraft apparently resulted from austerity moves imposed by the Eisenhower Administration in its FY 1960 budget. A subsonic aircraft would be cheaper and would free sufficient funds for the anticipated expense of the long-range missile and its related avionics (aircraft electronics.). The Navy program was approved. The Navy then awarded a design contract to the Douglas Aircraft Company to develop the aircraft (to be called the F-6D MISSILEER). Meanwhile, the Bendix Corporation continued work it had earlier begun on the missile system (called the EAGLE missile system).[31]

This was late 1960. The Navy was developing its new aircraft for fleet defense. By this same time, the Air Force had formalized its requirements for a successor to the F-105 and was ready to inaugurate a competition among aerospace contractors to determine which company would develop the aircraft. But the outgoing Eisenhower Administration in-

[29]Testimony of the Assistant Secretary of the Navy for Research and Development, Dr. James H. Wakelin, in *TFX Hearings —First Series*, Part 6, pp. 1475, 1533–1534.

[30]Cecil Brownlow, "Navy Stresses Simplicity, Reliability to Ease Budget Pinch," *Aviation Week and Space Technology*, Vol. 70 (March 9, 1959), p. 79.

[31]*Ibid.*, p. 78. See also Art, pp. 25–26; Brownlow, *op. cit.*, pp. 78–80; and "Douglas Wings Contract for Missileer Design," *Aviation Week and Space Technology*, Vol. 73 (August 1, 1960), p. 33.

truded, and insisted that it could not commit the new Administration to any major weapons program. It halted further development of the MISSILEER and prevented the Air Force from inaugurating a source selection competition on the TFX.[32] Moreover, Secretary of Defense Gates instructed the Director of Defense Research and Engineering (DDR&E) [33] to begin efforts to co-ordinate the requirements of the services into a single multiservice fighter.[34] This co-ordinating effort would be long and difficult. However, with Robert McNamara soon to enter the Defense Department, the effort would shortly acquire an unusually determined sponsor.

B. Establishing the Joint Requirement

It has been said of Robert McNamara that he was the first Secretary of Defense to read the description of his job and to take it seriously. McNamara brought to his new assignment a well-known set of ideas and managerial concepts, as well as a unique determination to put them into practice.[35] Moreover, he enjoyed the full backing of the new President, a President whose campaign had stressed the need for changes in the doctrine and management of the Defense Department.

Two areas of change advocated by the incoming Administration importantly affected the TFX. First, both Kennedy and McNamara determined from the outset to reduce needless duplication of weapon systems that plagued defense planners in the 1950's. The Eisenhower years allowed duplication across numerous categories of weapons procurement, a classic manifestation of relatively unconstrained interservice rivalry. While some observers defended duplication as a sensible approach to highly uncertain development tasks, the new Administration disagreed.[36] Because of the frequency and cost of duplication in the 1950's, Kennedy and McNamara identified this as an area where defense management needed to improve. As Kennedy asserted in his first State of the Union message, "the faulty estimates and duplication arising from interservice rivalries have . . . made it difficult to assess accurately how adequate—or inadequate—our defenses really are."

The second area of agreement between the new President and his Secretary of Defense concerned the need to revive the "conventional option" in U.S. force posture. Eisenhower's doctrine of Massive Retaliation placed primary reliance on nuclear weapons to deter both limited and full-scale Soviet aggression. Indeed, in 1957 Eisenhower's Secretary of Defense stated that "the smaller atomic weapons, the tactical weapons, in a sense have now become the conventional weapons." [37] American planning at the time relied on nuclear retaliation for "any Communist action larger than a brush fire in general and [for] any serious Soviet military action whatsoever in Western Europe." [38] Both McNamara and Kennedy wanted to reduce this heavy reliance on nuclear weapons, by providing greater flexibility in American defense capabilities. While strategic nuclear forces were not themselves to be downgraded, conventional forces were to be expanded in number and strengthened in capability. Massive Retaliation was to be replaced by Flexible Response.

The new doctrine logically implied different decisions about weapons, namely, development and acquisition of weapons that strengthened the conventional option. True to his activist image, McNamara moved quickly in this direction. He commissioned a number of special task forces to study various aspects of the defense program. Within a month, these panels began submitting recommendations to him. For a few "most urgent and important problem areas," he recommended immediate adjustments in the FY 1962 budget already formulated by the Eisenhower Administration. Many of the detailed proposals were "designed to enhance the effectiveness, versatility, and readiness of our limited war forces." [39] These recommendations included a proposal for modification of early models of the Air Force's F-105 fighter-bombers. In April 1961, barely three months after assuming office,

[32]Art, *op. cit.*, pp. 26–27; and *TFX Hearings—First Series*, Part 6, p. 1358.

[33]DDR&E was established in 1958 as a component of the Office of the Secretary of Defense, to serve as primary advisor to the Secretary on technical matters. It chaired an interdepartmental advisory group on weapons procurement, the Weapons System Evaluation Group, which was the vehicle for coordinating the multiple requirements of the services.

[34]From a Government report provided to the author.

[35]There are many good accounts of the innovations in defense management under McNamara. See, particularly, Enthoven and Smith, *op. cit.*, *passim*. See also Charles J. Hitch, *Decision-Making for Defense* (Berkeley: University of California Press, 1965); William H. Kaufmann, *The McNamara Strategy* (New York: Harper & Row, 1964); Robert S. McNamara, *The Essence of Security: Reflections in Office* (New York: Harper & Row, 1968); and a good short account, David Novick, "Decision-Making in the Department of Defense," in Edwin Mansfield (ed.), *Defense, Science and Public Policy* (New York: Norton, 1968), pp. 44–61.

[36]See Michael H. Armacost, *The Politics of Weapons Innovation: The Thor-Jupiter Controversy* (New York: Columbia University Press, 1969), *passim*; Enthoven and Smith, *op. cit.*, pp. 15, 22, and 169; Kaufmann, *op. cit.*, pp. 30, 47; and *TFX Hearings—First Series*, Part 9, pp. 2272–2273.

[37]Congressional testimony given in 1957 by Secretary of Defense Charles Wilson; quoted in Kaufmann, p. 25. For an excellent description of the formulation of defense doctrine in the 1950's, see Samuel P. Huntington, *The Common Defense: Strategic Programs in National Politics* (New York: Columbia University Press, 1961), pp. 64–113.

[38]Theodore Sorenson, *Kennedy* (New York: Bantam, 1965), p. 703. Sorenson drew this observation from a National Security Council Memorandum inherited by the Kennedy Administration.

[39]Sorenson, *op. cit.*, p. 681; and U.S. Senate, Committee on Armed Services, *Fiscal Year 1962 Authorizations for Military Procurement*, Hearings, 87th Congress, 1st Session (1961), pp. 2, 17.

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McNamara described the need for these F-105 modifications:

> . . . we recommend . . . the modification of the earlier models of the F-105 tactical fighter to improve their performance and their capability to handle conventionally armed ordnance . . . [The F-105's] conventional weapons potential is really quite limited, and in order to give it the power and to provide for the carrying of the additional weight necessary to use conventional weapons effectively, the pylons [and the installation of larger engines] must be undertaken.[40]

The F-105 had been designed to deliver a low-tonnage payload—nuclear weapons—at very low altitudes and at very high speeds. The early models of the plane had not even incorporated provisions for carrying conventional ordnance.[41] The new doctrine of Flexible Response, however, revalued this earlier trade-off of conventional capability on the plane. The early F-105's would now be modified to perform the broader spectrum of missions that McNamara envisioned.

In November, 1961, McNamara took a much more drastic step. Rather than trying to make a limited war fighter out of nuclear interdiction aircraft through extensive modification, he *cancelled* the F-105 program entirely. The Navy's F-4 Phantom was a good limited war aircraft. If TAC wanted a *non-nuclear* strike aircraft—as McNamara insisted they should—the Air Force would buy Navy F-4's. After a lengthy wrangle, McNamara's decision stuck. Rather than buy no planes, the Air Force acquired and bought modified F-4's.

McNamara's bold action followed nearly a year of discussion between his Systems Analysis office and the Air Force, with Systems Analysis urging the Air Force to buy F-4's, and the Air Force insisting on F-105's. McNamara's staff in Systems Analysis had a detailed analytic grasp of the F-105's characteristics, its nuclear mission emphasis, and its marked inferiority to the F-4 in the limited war mission. McNamara agreed with their analysis and acted. Here was a convincing demonstration of the operational implications of Flexible Response.[42]

The TFX, however, was planned as a follow-on to the F-105, and the TFX requirements formulated by the Air Force were an extension of the basic operational emphases in the F-105's design. Indeed, the demanding supersonic, sea-level dash at the center of the TFX requirement carried the nuclear-mission emphasis of the F-105 to an extreme. McNamara's intention to increase the flexibility of the tactical force posture—an intention clearly implemented in the modification and cancellation of the F-105—thus implied substantial change in the TFX requirement, to supplant the demanding nuclear mission requirements with requirements reflecting the more diverse capabilities he desired to develop. As a trade magazine put it at the time, ". . . enough has been said by President Kennedy and McNamara on the subject of the delivery of conventional weapons rather than nuclear weapons that another aircraft designed to deliver nuclear weapons (the proposed TFX) may not be well received." [43]

But the Air Force's TFX requirement was well received. In February, 1961, the limited war panel, a study group appointed by McNamara, recommended development of a multiservice fighter for use in limited war. At that time, McNamara had been reviewing the requirements of the Navy and Air Force for new tactical aircraft and apparently had been receiving DDR&E recommendations that he combine the two requirements into a joint requirement.[44] (As noted earlier, DDR&E had been directing a study of the possibility of combining the Air Force and Navy requirements and, in the process, had become an advocate of a joint program.)

McNamara was thus being encouraged to develop a multiservice fighter for limited war use (by the study panel) and being presented with ostensible means to do so (by DDR&E), even as he was being pressured by the services for a go-ahead on their separate programs. After a mere three weeks in office, McNamara made a decision that would influence the tactical force posture for a decade or more. In this burden of decision, however, lay a significant opportunity. McNamara determined to seize the initiative in the Department. The recom-

[40] *Fiscal Year 1962 Authorizations*, pp. 19, 83.

[41] *Ibid.* See also McNamara, *op. cit.*, pp. 77–79.

[42] Head, *op. cit.*, pp. 155–170; Enthoven and Smith, *op. cit.*, p. 263; and Kaufmann, *op. cit.*, p. 247.

[43] Larry Booda, "USAF and Navy Unable to Agree on Joint Tactical Fighter Project" *Aviation Week and Space Technology*, Vol. 75 (August 21, 1961), p. 27.

[44] Art, *op. cit.*, pp. 33–34; *TFX Hearings—First Series*, Part 6, p. 1358. These sources refer to McNamara's increasing conviction that the Air Force's TFX requirement could be the basis for a joint development. The suggestion that DDR&E urged him in that direction is the author's own surmise, based upon: (1) the fact that DDR&E had been studying the possibility of combining the Air Force and Navy requirements since the final months of the Eisenhower Administration; and (2) the publicly reported observation that DDR&E was a strong supporter of a bi-service development from the earliest days of McNamara's tenure. (See, for example, "Navy Facing Dilemma Over Decision on Fighter Plane," *Congressional Quarterly Weekly Report*, XXVI (February 16, 1968), p. 284. As primary technical advisor to the Secretary of Defense, DDR&E would have given McNamara advice on all extant service requirements for new weapons when McNamara entered office. Since DDR&E had earlier been attempting to combine the Air Force and Navy fighter requirements, and since DDR&E is widely recognized as having been the strongest advocate in OSD of a bi-service development, it is likely that DDR&E urged McNamara to combine the requirements. In other words, the origins of the commonality concept lie in DDR&E and the final months of the Eisenhower Administration, rather than in an autonomous determination by McNamara of the compatibility of the Air Force and Navy requirements. McNamara was responsible for making the DDR&E position bureaucratically viable, by imposing that position on the Air Force and Navy.

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mendations of the limited war panel and DDR&E seemed an ideal method of doing so. If McNamara could force the Air Force and Navy into a joint development for a limited war aircraft, no one in the defense bureaucracy could doubt that he meant business.

McNamara thus decided that a multiservice fighter would be developed. Through DDR&E, he directed the Navy and Air Force to formulate a coordinated operational requirement and development plan for a single tactical fighter to fulfill all missions (air superiority, interdiction, and close support) for the 1960's. The services were further directed to base their deliberations on the tactical fighter then contemplated by the Air Force. In acting upon the recommendations of DDR&E and the limited war panel, McNamara had simply selected one of the two options with which he was presented and made it the basis for achieving other requirements. The seemingly flexible aircraft envisioned in the Air Force requirement was accepted as an appropriate foundation both for joint development and for his limited war purposes as well.

The services reacted negatively to McNamara's directive. In an effort to reconcile differences between the Services, Herbert York, Director of Defense Research and Engineering, convened a Committee on Tactical Aircraft. In the course of the Committee's deliberations, the close support requirement of the Navy presented the most difficult problem of reconciliation. This problem was to be expected, for the close support mission was one thoroughly articulated in Navy doctrine.[45] The Navy had long held that its close support (attack) aircraft should be subsonic in performance and low in cost. The Navy's close support requirement thus presented a clear limited war profile (of a special type, to be sure) that conflicted with the detailed nuclear-mission profile of the original Air Force requirement. To incorporate the close support capability would have required full integration of performance requirements to obtain joint development. Instead, the close support mission was split off from the TFX negotiations in May. With the separation of this clearly defined, limited war mission, the pressure for full integration of performance capabilities in the TFX was removed.[46] SOR-183 remained firmly on track.

McNamara ratified the conclusions of the Committee on Tactical Aircraft and instructed Air Force Secretary Zuckert to make another attempt to obtain Navy concurrence on the original Air Force specifications. Deliberations between the services continued through the summer, only to reach a deadlock in August.

McNamara reacted swiftly to the impasse. He instructed DDR&E to establish the joint requirements for the development. Working with representatives of the Navy and the Air Force, DDR&E negotiated the basic constraints to be placed on the Air Force specific operational requirement (SOR-183).[47] These constraints were then formally established in McNamara's "Memorandum of September 1," an addendum to SOR-183, the critical sections of which read as follows:

> The Air Force tactical version of this aircraft shall be developed to meet as nearly as possible the minimum required performance as specified in SOR-183, dated July 14, 1960, within the following constraints:
>
> 1. The mold line of the aircraft shall be configured so that a radar dish of 36 inches in diameter minimum size may be accommodated in the nose.
> 2. The maximum length of the aircraft shall not exceed 73 feet in the Air Force tactical version.
> 3. The weight of the aircraft in the Air Force tactical version with full internal fuel and 2,000 pounds of internal stores should be approximately 60,000 pounds.
> 4. The aircraft shall be capable of delivering a minimum of 10,000 pounds of conventional ordnance.
> 5. The basic design provisions for stores shall allow for the carrying of at least two 1,000-pound air-to-air missiles internally or semisubmerged.
> 6. The basic structure of the airframe must be able to accommodate the loads associated with carrier operations.
>
> The Navy version of the basic aircraft to be developed under this program shall be capable of performing the Navy fleet air defense mission, carrying six 1,000-pound air-to-air missiles at a radius of 150 [nautical miles] with 3.5 hours of loiter time. Takeoff gross weight for this mission shall not exceed 55,000 pounds without the concurrence of the Navy.
>
> Changes to the Air Force tactical version of the basic aircraft to achieve the Navy mission shall be held to a minimum. . . .[48]

[45]Head, *op. cit.*, pp. 126–130, 181.

[46]This is not to say that the close support requirement *should* have been kept within the multiservice project, though, with appropriate changes in other requirements, that might have been desirable. All that is being suggested is that the close support requirement was potentially a counterpoint to the nuclear emphasis of the basic Air Force requirments, and hence, its separation was of particular significance in reducing the pressure to integrate fully the disparate service requirements.

[47]To obtain an idea of how these constraints were negotiated, observe that the length constraint of seventy-three feet was exactly half-way between the length for which the Navy had argued (fifty-six feet) and the ideal length that the Air Force wanted (ninety feet). See Robert J. Art, *The TFX Decision: McNamara and the Military* (Boston: Little, Brown, 1968), p. 40.

[48]Memorandum for the Secretary of the Air Force, the Secre-

These requirements did not replace any of the SOR-183 *performance* requirements for the Air Force version (although they obviously reduced the possibility of attaining them). The addendum placed physical constraints upon the aircraft itself—to provide the Navy minimal assurance of the aircraft's carrier compatibility—and then simply added on the Navy's performance requirements. The requirement was "joint" in the sense that Navy and Air Force requirements now formally coexisted on paper. Any actual integration of performance requirements was to be a *de facto* product of contractor design efforts. As recounted by then-Navy Secretary Fred Korth:

> . . . when we discovered in the summer of 1961 that our divergence of requirement was so wide it was suggested by Admiral Burke, Chief of Naval Operations, that the way to resolve this question was to submit the proposals and the requirements of each service to industry, and let them determine realistically what they could provide to the Air Force and what they could provide to the Navy in versions of the TFX. . . . This is what in fact we did, in the fall of 1961.[49]

Since the Air Force and Navy refused to compromise any of their performance requirements in the source selection competition that ensued, the reconciliation of these requirements was indeed left to the contractors.[50]

Beyond this lack of integration of performance requirements, the most notable aspect of the joint requirement is the extent to which the original Air Force plans were unexamined in the decision process. Although the Navy raised questions as to the appropriateness of the SOR-183 requirements for limited (versus nuclear) war, SOR-183 remained the baseline for joint consideration. There is no evidence that these basic performance requirements received detailed scrutiny by McNamara and his associates in light of the limited-war purposes for which they intended the plane—a somewhat puzzling omission, given the relatively close scrutiny and sophisticated judgments being made during these same months on a plane with a similar mission emphasis, the F-105. McNamara did add the stipulation that the plane be capable of carrying 10,000 pounds of conventional ordnance, a requirement perhaps reflecting his experience in having had to modify the early F-105's to carry conventional ordnance. But this surely missed the larger lesson of his experience with the F-105.

The key to this extraordinary difference between the F-105 and TFX decisions of 1961 lies in the character of the options McNamara confronted. He wanted to develop a new tactical fighter that would expand limited war capabilities. But he was not presented a wide range of options, covering a broad spectrum of possible approaches to the tactical air mission. Instead, he received two options: one from the Navy and one from the Air Force. Each option represented years of effort by the service and hundreds of agreements among interested parties within each service. The options were not static, hypothetical abstractions. Each was firmly on track, difficult to modify or to stop. Each had behind it a whole array of organizational resources, sufficient to overwhelm the consideration of imagined alternatives lacking organizational sponsorship. And one of these options—the Air Force requirement—possessed the powerful backing of DDR&E, the highest ranking suborganization in OSD and the only suborganization in OSD actively involved in the early decisions.

Nor were the options easy to examine and evaluate subjectively. The Air Force, of course, strongly supported its own requirement, SOR-183. It recognized McNamara's intent to strengthen the conventional forces, but it remained committed to a central role for nuclear weapons in the force posture (having reaped the benefits of this emphasis in the defense budgets of the 1950's).[51] It did not believe the conventional option to be as important as the nuclear option, and it doubted McNamara's staying power.[52] Prior to McNamara, Secretaries of Defense had averaged only two years in office, with the longest tenure only four years.[53] The Air Force could thus expect, in 1961, that McNamara would be gone when the TFX became operational, six years later. Should it then compromise the requirement it sought? Under these circumstances and given McNamara's obvious predisposition on the matter, the Air Force felt no obligation to draw attention to the nuclear-mission emphasis of its TFX requirements. Just the opposite. The Air Force emphasized the flexibility that its proposed aircraft would provide. Although "not one bolt" had changed in the requirement since it was formulated for the nuclear mission, the Air Force began selling the conventional-mission capabilities of its proposed aircraft.[54] The transoceanic range and semi-prepared field capabilities of the TFX—which were initially intended to reduce the vulnerability of TAC's nuclear strike aircraft in Europe—were de-

tary of the Navy, from the Secretary of Defense Robert McNamara, dated September 1, 1961, re TFX; printed in *TFX Hearings—First Series*, Part 6, pp. 1510–1514. See *TFX Report*, p. 8, for the data classified at the time of the 1963 hearings.

[49] *TFX Hearings—First Series*, Part 6, p. 1477.

[50] Interview, 13, 16.

[51] See Table 6 in Harvey M. Sapolsky, *The Polaris System Development: Bureaucratic and Programmatic Success in Government* (Cambridge: Harvard University Press, 1972), p. 172. Between fiscal years 1954 and 1961, the Air Force budget grew from 33 percent to 43 percent of the DOD budget for military functions.

[52] Enthoven and Smith, *op. cit.*, p. 266; and Interviews, 10, 12, and 24.

[53] C.W. Borklund, *The Department of Defense* (New York: Praeger, 1968), pp. 312–313.

[54] Interview 22.

picted (for the first time) as being useful for flexible deployment in limited war. Little was said about the plane's performance once it was deployed, other than that it could carry heavy-ordnance loads.

Though the Air Force had advocated the F-105 with equal enthusiasm, the F-105's performance characteristics were analyzed and clearly understood. How? Three differences were critical. First, the F-105 was an operating aircraft. Its performance characteristics could be observed and tested. Reasonable men could not disagree about answers to questions about the speed or bomb loads or even the dominant mission of the F-105. Second, there existed a *proven* alternative to the F-105, the Navy's F-4. Again, the characteristics of this operational aircraft could be agreed upon. Debate about preferred characteristics could focus on real alternatives. Third, McNamara's Systems Analysis office staffed the F-105 choice, whereas DDR&E staffed the F-111 decision. Systems Analysis had demonstrated a capability to analyze costs and benefits of alternative weapons systems, especially when the costs and performance characteristics were accepted facts. DDR&E had a much harder problem in the case of the F-111. DDR&E had been studying means to combine requirements before McNamara arrived and had become a strong advocate of a joint program based on the Air Force requirements. Unfortunately, this office was, through the mid-1960's, dominated by specialists from various fields associated with ballistic missile technology, especially nuclear physics and electronics, and lacked significant expertise in aeronautical engineering. Aircraft were seen by DDR&E as relatively "easy" design problems, within a readily extended state of the art.[55]

By all accounts, Systems Analysis stayed out of the F-111 decision—even though that decision raised the same issues as those posed by the F-105. Several explanations have been offered for Systems Analysis' absence. First, Systems Analysis' normal work involved examination of forces and budgets at the point of procurement, as in the F-105, and not uncertain stages of development. Second, the group of systems analysts was quite small during the early TFX discussions and hence, it is argued, the office did not have the manpower required to take on such a large issue. Finally, some have argued that Dr. Alain Enthoven, then Deputy Assistant Secretary of Defense (Comptroller) and head of the fledgling systems analysis group, decided consciously to deal his office out of the TFX on grounds that the proposed program was "too hot to handle" for the embryonic analytic group. As a *Congressional Quarterly* review concludes:

> Pressure for a single, multimission aircraft came from the Office of Defense Research and Engineering . . . Although the concept was opposed by the young systems analysts that Defense Secretary Robert McNamara had brought with him to the Pentagon, they were not then in a position to conduct a running battle with [the Director of Defense Research and Engineering] Brown. At the time, the Office of Systems Analysis was subordinate to the Pentagon comptroller, which was one level below Brown.[56]

Hence, in the earliest weeks of his tenure when he was still uncommitted on the matter, McNamara received only favorable evaluations of—rather than alternatives to—the Air Force requirements. Instead of having his options refined and expanded by OSD organizations, McNamara faced a restricted set of alternatives reinforced by them. He had entered the Defense Department intending to expand limited-war capabilities and end weapon system duplication. The limited-war panel suggested a multiservice aircraft as one way to begin this effort, and DDR&E handed McNamara a ready program with which to start. Having been in office a mere three weeks, McNamara accepted their recommendations and adopted the superficially appropriate Air Force requirement as the basis for a joint development.

In his subsequent struggle to make his option prevail over the opposition of the services, McNamara and his associates showed their muscle —witness the fact that a bi-service requirement for the TFX development was finally established. Nonetheless, in spite of this success, McNamara and his associates had accepted the Air Force requirements. Their acceptance is strikingly clear in the memorandum of September 1—a document composed by DDR&E for McNamara's signature—which resolved by virtual fiat the hiatus in negotiations between the services. In that memorandum, McNamara directed that "changes to the Air Force tactical version of the aircraft to achieve the Navy mission shall be held to a minimum." [57]

On this basis, the source selection process began. The design proposals of the contractors were to achieve some of the integration that the requirements process had failed to achieve. The services still were not convinced that a single aircraft could meet their requirements. But a joint requirement had at least been established.

C. The Source Selection Competition

The joint requirement and an accompanying (and lengthy) Work Statement became the basis for the source selection competition that extended

[55]Interviews 10 and 11.

[56]"New Plane Seen More Costly, Little Better than F-111," *Congressional Quarterly Weekly Report*, XXVI (May 3, 1968), p. 1007.

[57]*TFX Hearings—First Series*, Part 6, pp. 1513–1514.

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through most of 1962. As an inherent part of such a competition, the requirements were fixed throughout. The Air Force, for its part, continued to pursue the maximum performance on the sea-level supersonic mission. The Navy attempted to enhance the carrier compatibility and "time on station" (air patrol at a distance from the fleet) offered by the proposals. According to the winning contractor, it was known that all the requirements could not be met.[58] If, as NASA had earlier determined, the Air Force requirement could not be met within the original weight constraint, it surely could not be met at the lesser weight *and length* requirements of the joint program.[59] Consequently, the source selection sustained the thrust of the joint requirement, with the contractors left to make performance compromises and to bring coherence to the requirements statement.

The actual formulation of design proposals involved selection of engines and other subsystems, development and consideration of a broad range of alternative airframe configurations, and final choice of a particular design package for submission to the Government. In formulating the design proposals, each contractor developed a conscious strategy for meeting the demands of the joint requirements. Boeing tried to meet the individual demands of each service. While commonality between Boeing's Air Force and Navy designs suffered somewhat—they were evaluated to be virtually "two separate airplanes" in structural terms—Boeing believed that the most important criterion for the source selection would be (as it had been in the 1950's) the design's potential for meeting service performance requirements.

General Dynamics, on the other hand, took McNamara at his word and emphasized the degree of "commonality" (common Air Force and Navy parts) between the Air Force and Navy versions it proposed.[60] The General Dynamics proposal offered an elegant solution to the demanding bi-service requirements. To achieve the loiter requirement of the Navy, General Dynamics provided longer, "bolt-on" wing tips for the Navy version, which gave that version a greater wing span for better subsonic loiter performance. At the same time, the Air Force design was not compromised by the added drag of a longer wing.[61] General Dynamics also gave the Navy version a shorter nose section than the Air Force version, which improved clearances for carrier handling of the Navy aircraft. To further strengthen its position, General Dynamics —which had built only Air Force aircraft—proposed to have a close prime contractor-subcontractor relationship in the program with Grumman Corporation, which had more experience in building naval aircraft than any other company.[62] Navy fears of its requirements being neglected by an "Air Force contractor" were thus to be mollified.

After an unprecedented four rounds of competition, the services expressed a formal and unanimous preference for the Boeing design (much as Boeing had anticipated).[63] Normally, such a recommendation would have determined the winner of the source selection competition. Although the Service Secretary bore legal responsibility for the decision (a responsibility that was slightly modified for the TFX source selection),[64] his authority was more formal than real. Under 1962 source selection procedures the service supervised the evaluation of design proposals and then reached a formal consensus on a single contractor's proposal before the Secretary had had the opportunity to exercise any independent discretion on contractor choice. The Secretary received little information from the services describing the strengths and weaknesses of competing design proposals, and he lacked alternative channels for obtaining such information. Overruling the service recommendation thus meant ignoring the expert advice of a united group of high-ranking military professionals—from the head of the user command to the service chief of staff—on the basis of far less detailed information than the services possessed. Predictably, service recommendations were rarely rejected.[65]

McNamara understood the difficulty of his posi-

[58]Interview 16.

[59]This can be seen by contrasting the ideal and the actual length-diameter ratios for the F-111A. The length-diameter ratio, though a crude measure, is an approximate indicator of aerodynamic efficiency for supersonic flight. The optimum length-diameter ratio for supersonic flight is between 11 and 14. On the F-111, this ratio was estimated by one source to be between 8 and 10. See Staff Report, "TFX: Mission and Design," *Space Aeronautics*, Vol. 39 (June, 1968), p. 7.

[60]Art, *op. cit.*, Ch. 5, esp. pp. 149–155.

[61]*Ibid.*, p. 152.

[62]Prepared statement of Roger M. Lewis, president and chief executive officer of General Dynamics Corporation, *TFX Hearings—First Series*, Part 4, pp. 1057–1058.

[63]Art, *op. cit.*, Chs. 3–6; and, for a more critical view, Stone, *op. cit.*, *passim*. Information on source selection that follows in the text is drawn from Art, Chs. 3, 4, 6.

[64]In the TFX source selection, the Secretary of Defense was empowered to make the final selection of a winning contractor, following recommendations of the Air Force and Navy Secretaries. Regular Air Force source selection procedures (to be described in the text) were modified to include Navy technical and management experts in the evaluation of design proposals and Navy officers on the service review boards that determined a service preference for one of the contractors. These adjustments of normal procedure to facilitate Navy participation in selecting a contractor did nothing to increase civilian control over the service selection process. See the discussion of the problems of civilian control over source selection in Art, *op. cit.*, pp. 56–62, 102–108, 162–165.

[65]General Curtis LeMay, Air Force Chief of Staff, noted in 1963 that the Secretary had *never* overruled the service recommendation in the twenty-three source selections in which he had participated. *TFX Hearings—First Series*, Part 3, p. 698.

tion as he pondered the F-111 contract award.[66] Yet he did not acquiesce in the service recommendation. While the services unanimously preferred Boeing, they also rated the General Dynamics proposal acceptable. McNamara took their approval of both proposals as license to exercise his own judgment on source selection. In his view, the General Dynamics design possessed greater commonality, less development risk, and more realistic cost estimates than did the Boeing proposal. He awarded the development contract to General Dynamics in November 1962.[67] This award touched off a heated political controversy that plagued the program for years. The award to General Dynamics—despite the contrary professional military judgments of two services—suggested an arbitrariness in McNamara's decision that many Congressmen could explain only by reference to political influences on the contract award. This appearance of arbitrariness arose inevitably from *any* overruling of the services, since source selection procedures forced the Secretary to rely on rough judgment and informal staff work in reaching his decision, while the authoritative service recommendation he might overrule rested on a visible process of elaborate professional evaluation.

McNamara did little to dispel this appearance of arbitrariness. He did not consult Congress as he made (or after he made) his source selection decision, although Congress was sure to figure prominently in any reaction to his predictably controversial decision. Consultation with key Congressmen at this stage might have changed the character of the heated political debate that ensued. McNamara later modified source selection procedures to preclude service recommendation of a preferred design proposal;[68] however, for the F-111 contract itself, he seems to have been remarkably insensitive to the political stakes of a major defense contract award. A bi-service program was difficult enough without this burden of suspicion surrounding the contract award.

Throughout the period of the source selection, the mission emphasis of the F-111, as implied by the joint requirement of 1961, remained unmodified. This was to be expected, since at this point OSD had one primary concern: to obtain a design that both services found acceptable and to begin actual development of the aircraft. That much had been achieved in the source selection, but at the obvious cost of important Congressional support and the continued neglect of issues of mission suitability.

[66]Art, *op. cit.*, p. 108n.
[67]*Ibid.*, Ch. 5.
[68]*Ibid.*, pp. 162–165.

D. The Contractor's Proposal and the Decomposition of the Design Problem

By the time of the contract award, the broad performance criteria of the initial operational requirement had evolved through the more detailed design specifications of the Work Statement and, finally, into a proposed configuration for the actual aircraft. The aircraft was still a purely "paper" design at this stage, but the basic aerodynamic configuration had been proposed, the layout of all essential subsystems had been established (such as the relative location of avionics, fuel tanks, bomb bay, crew capsule, and landing gear), the approximate technical qualities of the proposed aircraft had been determined (such as its approximate weight and structural strength), and the likely performance of the aircraft had been estimated. For these latter determinations, standard engineering calculations as well as empirical data derived primarily from wind-tunnel models, were used to document the estimates.[69]

The essential outlines of the aerodynamic configuration were fairly firm as the development effort began. However, both the contractor and NASA ran extensive wind tunnel tests to refine this basic design. With the internal layout of the aircraft already specified, design efforts proceeded to more detailed problems, even to the level of individual parts. And for each problem and part, there were further government specifications. The 1961 Work Statement had contained relatively general specifications. This second specification effort can be viewed as an attempt by the Government to set requirements for the design to meet at each successive level of detail.[70]

By August, 1963, the design was fully detailed and the scheduled "mock-up" inspection (Development Engineering Inspection) began. This inspection involves government scrutiny of a full-scale model of the aircraft. It allows examination of such features as cockpit layout and maintenance-access, in a way difficult to provide with paper designs.[71] It is also a legal requirement scheduled in the contract. Until the design has passed the mock-up inspection by incorporating all formally proposed changes, no engineering drawings can legally be released for the fabrication of actual hardware.

The F-111 completed mock-up inspection in September, 1963. In October, the first drawings

[69]Interview 16. Unless otherwise indicated, the information on the design process that follows in the text is from Interview 16.

[70]Subcontracting arrangements required the contractor, in turn, to establish specifications for parts or subsystems whose development was being subcontracted.

[71]One participant also described it as "getting one hundred different opinions on how to build an airplane."

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were released for parts fabrication. (By early January, 1964, twenty per cent of the drawings had been released; by early June, 1964, ninety per cent of the drawings had been released.) [72] Meanwhile, in late November, 1963, the first actual part had been fabricated for the first R&D prototype.

Major assembly of this first aircraft began in June, and the first aircraft itself rolled out in October, on schedule. Since these prototypes were basically constructed on production tooling, any later design changes would be extraordinarily costly. After December, 1964, design efforts would be problem-and-refinement-oriented, since the plane's configuration would then be firm.[73]

Yet, to depict the issue in this way—that is, to imply that a "point" is reached at which the design was basically irreversible—is to distort the nature of the development process. It assumes that prior to December, 1964, alternative requirements could have logically been considered. This kind of flexibility is notably absent from the development process.

Retracing our steps for a moment, we know that the contractors took the Work Statement of October, 1961, and developed initial design proposals. In this *initial* process, a broad range of alternatives was developed and considered. Engine choices had to be made, and were.[74] Overall design strategies—whether to please McNamara by maximizing commonality, or to please the services by maximizing performance—had to be chosen, and were.[75] A final design configuration had to be established and tested.

But once a proposal was finally accepted, the design process became narrowly focused. The winning design proposal was decomposed and elaborated as development efforts proceeded. The proposal set the basic shape of the ultimate design and, through an iterative process of disaggregation, the shape of component subsystems as well. The Government "led the way" through this effort by establishing specifications against which successive levels of design were to be developed. This devolution to lower design levels sometimes led to alteration of the higher-level specification parameters, but such alteration was not judged by the contractor to have happened often.[76] Instead, the aircraft design was progressively disaggregated in the course of the engineering effort, with fairly stable parameters established around each level.[77]

This decomposition of the design proposal was mirrored in the structure of the contractor's engineering teams, as well as in those of the Air Force. The contractor divided his engineering staff functionally by category of design. For example, the airframe engineering unit was broken down into wing, fuselage, empennage ("tail"), alighting gear, environmental control, and other groups. The Air Force engineering groups at the Wright-Patterson System Program Office (SPO) were organized in a parallel fashion, with horizontal communications quite strong between counterpart contractor and Air Force civilian engineers.[78] As James Reece notes:

> New weapon systems . . . are broken down into subsystems (e.g., propulsion, fuselage, avionics, etc.), and again into still smaller subsystems, until 'pieces' of manageable size can be assigned to individual engineers. This process takes place both in the contractor organization . . . and in the smaller Government organization . . . where the engineering effort is monitored. Thus, at some level in the hardware breakdown, there are counterpart engineers; i.e., an engineer in each of the two organizations responsible for the design and performance of the same piece of hardware.[79]

Since both of these men generally were civilians and had similar professional backgrounds, communications between them flowed easily. Moreover, their definition of what constituted "acceptable" results in design efforts was determined by the elaborate unfolding of initial requirements and specifications. The extensive reporting and monitoring procedures employed by the Government enforced attention to these specifications.

These relationships created a relatively inflexible process, notable for its narrow vision of "design problems" in the course of development. Government management through detailed regulation and monitoring of contractor compliance greatly ham-

[72]Memorandum, by Keith Dentel, Bureau of Naval Weapons weight engineer, dated January 14, 1964, re Model F-111B Weight and Contractor's Weight Control Program; and Memorandum by John Brick, staff member of the Permanent Subcommittee on Investigations, Committee on Government Operations, U.S. Senate, Dated June 17, 1964, re Staff Briefing at SPO. (Both memoranda are from the files of the Permanent Subcommittee on Investigations, Committee on Government Operations, U.S. Senate, Exhibits 15 and 26W of the *TFX Hearings—Second Series.*)

[73]Interview 16.

[74]For a discussion of how General Dynamics and Boeing chose engines at the outset of the competition, see Art, *op. cit.*, pp. 62–67.

[75]For a comparison of corporate design strategies—and a description of how General Dynamics emphasized commonality while Boeing emphasized performance in the design competition—see Art, *op. cit.*, pp. 115–132, 149–155.

[76]Interview 16.

[77]The airframe configuration is the primary baseline for design efforts, since it has the broadest interface with the various disciplines to be synthesized into an aircraft design. See Leo Celniker and E.R. Schuberth, "Synthesizing Aircraft Design," *Space/Aeronautics*, Vol. 51 (April, 1969), pp. 63–64.

[78]James S. Reece, *The Effects of Contract Changes on the Control of a Major Defense Weapon System Program* (Unpublished doctoral dissertation, Harvard Business School, 1970), Ch. 2, p. 23; and Ch. 5, pp. 8–10.

[79]*Ibid.*, Ch. 2, p. 23.

pered the task of making technical trade-offs. If results at one level of design indicated the need to trade among higher order objectives, the whole elaborate hierarchy of specification detail—detail which coordinated the engineering efforts of thousands of contractor and government officials—stood in the way. Reformulating this structure would disrupt engineering efforts throughout the project. Even relatively minor reformulations would require the concurrence of layer upon layer of contractor and government authorities. Accordingly, such changes were rare.

As a result, contractor and government organizations alike viewed design problems narrowly. Since the nuclear-mission requirement structured the levels of acceptability in the highly disaggregated design efforts, performance on limited war missions did not emerge as an issue during the development period of the program. During that period, what were seen as "issues"—by engineers, by Air Force officials, and by high-level Pentagon officials—were shortfalls in meeting the principal performance characteristics and the critical components of the specified mission. Development problems threatening nuclear mission performance—such as aerodynamic drag increases projected in 1964—prompted intense development efforts. NASA, for example, spent more wind-tunnel time on the F-111 development than on any fighter development in its history.[80] Problems important to limited war capabilities—such as the F-111's declining thrust-to-weight ratio, which portended problems for conventional but not for nuclear-mission performance—were not aggressively pursued. (Indeed, significant thrust improvements were not sought until 1969, following necessarily influential combat reports of the F-111's lack of power).[81]

Final design results fell far short of original program goals. Due to the inflexibility and narrow vision of the development process, these results did not generally reflect conscious trade-offs performed during the development process. Instead, they represented *de facto* results of the sustained pursuit of specified performance goals. The final balance among performance, cost and schedule attributes was not explicitly chosen in light of complete information about the character of important trade-off relationships.

In other words, since the requirements process for the F-111 program had focused on a dominant scenario, the development process did likewise. Since broad, multimission performance was a "fallout" capability insufficiently reflected in the nuclear mission specifications, the limited war capabilities McNamara anticipated for the plane were neglected by design efforts. Broad design flexibility was lost when development efforts began. The F-111 that emerged from this process was too heavy (the heaviest operational fighter in Air Force history), too lacking in relative power (the lowest engine thrust relative to aircraft weight of any supersonic American fighter), and too lacking in relative wing area (the highest ratio of aircraft weight to wing area of any operational American fighter) to provide the acceleration and maneuverability necessary for multi-purpose capability.[82] While these attributes of the F-111 fulfilled NASA predictions of 1960 and could, in any event, have been fully ascertained by October, 1964 (when the first actual prototype rolled off the assembly line), no one paid much attention to the problem until late 1966. At that time, routine Air Force flight tests were performed carrying conventional ordnance.[83] These tests revealed that the problems for the conventional mission were severe. It was then that McNamara realized that "the failure to have the conventional mission specified from the outset was a DOD error . . . a fallout from the day when emphasis was almost exclusively on tactical nuclear weapons." [84]

E. Hard Data: Vietnam, Flight Tests and Adaptations to the Conventional Mission

As government flight tests began in late 1965, the United States was intensifying the air war over Indochina. Together, the tests and the war experience had an important impact on the way in which the military and civilians alike perceived the F-111 program. In effect, the long-avoided conventional mission was imposed on the program deliberations.

The Vietnam experience highlighted the unique importance of conventional operations. Conventional warfare was being waged on a massive scale—and was proving the limitations of expensive "nu-

[80]Staff of the NASA Research Centers, *Summary of NASA Support of the F-111 Development Program: Part I*, December, 1962, December, 1965, p. 2.

[81]Minutes of Secretary of Defense F-111 Meeting, December 12, 1968, excerpted in *TFX Hearings—Second Series*, Part 1, p. 206; and U.S. House of Representatives, Committee on Armed Services, *Hearings on Military Posture*, Hearings, 91st Congress, 1st Session (1969), pp. 2631–2632.

[82]"Aerospace in Perspective," *Space/Aeronautics*, Vol. 51 (January, 1969), pp. 89 and 98; and *TFX Hearings—Second Series*, Part 1, pp. 199–200, 209. For brief discussions of the relative importance of these crude but suggestive measures, see Levin, "F-15: Teething of a Dogfighter," pp. 38–39; Michael P. London, "Tactical Air Superiority," *Space/Aeronautics*, Vol. 49 (March, 1968), pp. 63 and 70; and Michael P. London, "VFX: The Navy's Choice," *Space/Aeronautics*, Vol. 50 (November, 1968), pp. 51–52. For a comparison with Soviet fighters on these measures, see Robert D. Archer, "The Soviet Fighters," *Space/Aeronautics*, Vol. 50 (July, 1968), pp. 67–71.

[83]Interview 20.

[84]Notes of the ICARUS meeting, September 10, 1966; excerpted in *TFX Hearings—Second Series*, Part 3, p. 548.

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clear platform" aircraft.[85] F-111 flight tests proceeded in the context of this experience. These tests revealed the F-111 to be significantly underpowered in the high drag, heavy payload configuration of the conventional mission.[86]

Efforts were mounted to improve the F-111's performance on these missions. At a cost of an additional one billion dollars, larger engines and better avionics for the conventional mission were developed.[87] These improvements ultimately provided performance capabilities approaching McNamara's original expectations. However, they became available only in time for the final 106 F-111's (out of a total of 437). For the other F-111's, broad performance capabilities were subsumed by the dominant requirements for nuclear interdiction.[88] Costs of the program were ultimately two to five times original estimates (the difference in cost growth factors reflecting different analytic assumptions.)[89] The Navy F-111 was, of course, cancelled entirely. And both the Navy and Air Force set out in the late 1960's to develop new tactical fighters—separately this time.

II. ANALYSIS: IMPACT OF ORGANIZATIONAL ARRANGEMENTS ON U.S. DECISIONS AND ACTIONS

The major analytic puzzle of the F-111 development is obvious: Robert McNamara wanted to develop a flexible fighter aircraft for limited war missions; he got an aircraft narrowly optimized for nuclear war missions. As a result, the Navy's F-111 suffered decisive deficiencies in performance that led to the Navy program's cancellation; and the Air Force F-111's never achieved the major mission capabilities McNamara anticipated. While the Air Force did procure and deploy its versions of the F-111, it did so in dramatically reduced volume—one-third of original plans—and greatly increased cost—two times original estimates.

Organizational arrangements played a central role in producing these unfortunate results. The impact of organizational arrangements can be considered at each of four critical phases in the program:

- Before 1961: The Air Force and Navy formulate their separate requirements, only to have them suspended by the Eisenhower Administration. The outgoing Administration also directs DDR&E to co-ordinate these requirements into a single, multi-service aircraft.
- 1961: McNamara directs the services to formulate a joint requirement for a common development based on the Air Force TFX requirement. Intense interservice negotiations follow and reach an impasse, which McNamara resolves by fiat.
- 1962: A protracted source selection culminates in the award of a prime development contract to General Dynamics.
- 1963 to 1968: Development efforts fail to resolve the contradiction inherent in the joint requirements.

The full case analysis addresses each of the Commission's questions about organizational impact on each of these phases. The questions are: What interests/considerations were introduced in the

[85]See "Aerospace in Perspective: Tactical Warfare," *Space/Aeronautics*, Vol. 49 (January, 1968), p. 112; and Schlesinger, p. 208.

[86]See the flight test survey, with Air Force comments, in *TFX Hearings—Second Series*, Part 1, pp. 205–206. The awareness at this time of conventional mission problems was also noted in Interviews 11, 12, 20.

[87]On the avionics improvements, see U.S. Congress, Joint Economic Committee, Subcommittee on Economy in Government, *The Military Budget and National Economic Priorities*, Hearings, 91st Congress, 1st Session (1969), pp. 794–818; U.S. Congress, Senate, Committee on Armed Services, *Fiscal Year 1972 Authorizations for Military Procurement*, Hearings, 92nd Congress, 1st Session (1971), pp. 1564–1565, 3885–3887; and Claude Witze, "The F-111's Mark II Avionics System—Weapons Effectiveness or Electronic Gadget," *Air Force and Space Digest*, Vol. 52 (August, 1969), pp. 62–65.

On the engine improvements, see *TFX Hearings—Second Series*, Part 1, pp. 203–213, 244, and Part 2, pp. 323–326.

The one-billion dollar figure is approximate and is composed of: (1) Mark II/II B avionics costs for the F-111D/F of 703 million dollars; and (2) Propulsion improvements for all F-111's of 267 million dollars. For the Mark II/II B costs, see U.S. Congress, Senate, Committee on Armed Services, *Fiscal Year 1972 Authorizations for Military Procurement, op. cit.*, p. 3888. For the propulsion-improvement costs, see *TFX Hearings—Second Series*, Part 3, p. 666. The one-billion dollar figure is offered only to suggest the order of magnitude of these improvement costs, since the precision of the supporting data cited above is unavoidably uncertain. This data does not include incremental spares and support costs (which may well be in the 100 to 200 million dollar range) and it may include costs not reasonably considered incremental (that is, costs that might have been incurred to produce the unimproved avionics and engines). While public reports of these data make it difficult to sort out the truly incremental expense, it is fair to say that this expense lies in the neighborhood of one billion dollars.

[88]For a brief description of the various F-111 versions, see *TFX Hearings—Second Series*, Part 1, pp. 165, 191, 240. For a fuller discussion of the performance of these versions, see the author's *Illusions of Choice: Bureaucracy, Weapons Acquisition Policy, and the Development of the F-111 Fighter-Bomber* (forthcoming).

[89]The higher cost growth factor (five) represents a crude calculation of the ratio of actual to estimated program unit costs; that is,

$$\frac{\text{(Actual Total Program Cost/Number of Units Procured)}}{\text{(Estimated Total Program Cost/Number of Units Procured)}}.$$

Data for this calculation are taken from *TFX Report*, pp. 1, 82. The lower cost growth factor (two) represents a more sophisticated calculation, cited in a recent Rand study. It focuses on "real" cost growth, and adjusts actual cost data for inflation, changes in units procured, and other factors. See R.L. Perry, *et al.*, *System Acquisition Experience*, Rand Memorandum No. RM-6072-PR (November 1969), pp. 12–20.

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policy process? How did organizational arrangements affect the information available? How did organizational arrangements affect the alternatives considered? How did organizational arrangements affect implementation? What impact did Congress and external groups have? What impact did personnel systems have? Rather than answering each of these questions in order, this summary presents some of the major points about organizational impact that emerge from the analysis.

A. Before 1961: the Air Force and the Navy Generate Separate Requirements

The most important insight is plain: the *weapons requirement process was service unilateral.* The initiative for establishing new tactical aircraft requirements lay entirely with the services. No other interests or considerations were regularly inserted in formulating requirements—not those of the Service Secretary, nor those of OSD, nor those of the Secretary of Defense himself. Technical agencies like NASA, as well as engineering personnel in the Air Force Systems Command had some influence on the requirement; for example, TAC learned about variable-sweep wings from NASA. Aerospace contractors also participated, by performing paper feasibility studies and the like. But other than through the law of "anticipated reaction," leading TAC to slant requirements to neutralize anticipated civilian resistance, the Service Secretary and OSD had little influence at this stage. DDR&E representatives did not attend *any* of the NASA-Air Force consultations in 1959 and 1960 that established the basic technical configuration and performance estimates of the proposed plane.

Second, since the requirements process was service unilateral, *the weapons requirements mostly reflected the goals and concerns of the user command* that formulated the requirements. The consequences of this proposition are far-reaching. The user commands, TAC and the Naval aviators, had developed conceptions of their roles and missions, conceptions elaborated in doctrine, hardware, training, promotion criteria, and informal expectations within each organization. In spite of changes in the operating environment and in national foreign policy and defense objectives, each developed new requirements mainly with an eye to its conception, which remained fixed on earlier objectives.

Third, the user commands naturally formulated a *single* option. Multiple options would suggest user-command uncertainty and provide an opening for others to affect the choice. Thus the decision, as it came to each successive level above the user command, was reduced to approving or rejecting a single option that embodied TAC's (or the Navy's) views of the tactical aircraft the nation needed. (As the case shows, higher levels could insist on slight modifications as the price for approval.) But as the option received the approval of higher levels, it achieved an increasingly broad consensus that was difficult to stop. The TAC requirement became an Air Force requirement and then an Air Force Department program and then a Defense Department program. If OSD, or even later Congress, found the requirement at odds with *their* conception of national goals, they faced a strikingly difficult problem in trying to reorient the requirement.

Finally, TAC (and the Navy fliers) had near-unilateral control of information about weapons requirements. TAC could, in effect, define the agenda of requirements for new Air Force fighters.

Evidence from other cases, and from studies of the requirement process suggests that the F-111 was "normal" in these four respects. In general, requirements tend to be controlled unilaterally by the service (and user command), dominated by the user command's objectives, formulated as a single option that higher levels can approve or reject, on the basis of information provided primarily by the user command. As President Nixon's Blue Ribbon Defense Panel (culminating in the Fitzhugh Report) concluded in 1970: "There is no opportunity for the Office of the Secretary of Defense (OSD) to review requirements for priority, urgency, or duplication before they are screened and filtered by the services.[90]

B. 1961: Establishing the Joint Requirement

The fact that a joint requirement was eventually established reflected the weight of the Secretary of Defense in this process and his interest in shaping forces to national objectives. The character of the joint requirement that emerged reflected the weights and interest of the services (and user commands) in defining the alternatives from which the Secretary chose and providing most of the information on the basis of which he exercised his choice. McNamara won the battle, but he lost the war.

Given the non-involvement of responsible civilian officials in generating the requirements, the need for informed civilian review of requirements before approval appears much greater. The evidence here suggests, however, that the Secretary of Defense and his associates in OSD did not have a regularized capability for serious review of military

[90] *Report to the President and the Secretary of Defense on the Department of Defense by the Blue Ribbon Defense Panel* (Washington, D.C.: U.S. Government Printing Office, 1970), p. 68.

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requirements. DDR&E should have provided at least a solid, independent technical assessment. But it had become an advocate of the Air Force TFX as a bi-service fighter. Moreover, DDR&E consisted almost exclusively of "missile men." Established in 1958 primarily to deal with strategic ballistic missile development, DDR&E had little competence in conventional war issues and had never participated in a major aircraft development (there having been none in the 1958–60 period). Accordingly, DDR&E did not probe deeply the aircraft design problems.

Systems Analysis could have studied the TFX but with DDR&E "in" Systems Analysis stayed "out." (In the Systems Analysis office, the TFX was known as "Johnny Foster's airplane"—Foster being the Director of DDR&E.) In any case, Systems Analysis' mandate and its competence led it to concentrate on costs and benefits of weapons *after* they had been developed, not at the requirements stage. The Navy raised objections about Air Force SOR-183, and indeed pointed out that its performance parameters served the nuclear, not the limited, war mission. But as the service being subordinated in this joint program, Navy objections were suspect; and the process never forced a sharp analytic confrontation between the Navy and the Air Force. Had there been an OSD-level staff office charged with comparing the Secretary's objectives and preferred missions on the one hand, with technical requirements and organizational interests on the other, the mismatch would have popped out. There was no such office. So the information and analysis on the basis of which the Secretary of Defense reviewed the Air Force and Navy SOR's and forced their marriage, was flimsy.

Information for reviewing requirements, however, was less important than the prior issue: the *menu of alternatives* to be reviewed. In seeking requirements for a bi-service, limited war aircraft, McNamara began with the menu the services gave him: SOR-183 and the F-6D MISSILEER. He maneuvered within the space available. But there was not much space. To get from SOR-183 to a sensible tactical fighter that would meet minimal Navy needs *by a process of merger and minor modification* was probably not technically possible. Had McNamara had a staff office capable of going back to the drawing boards and devising an entirely new SOR, the story could have differed. But no such office existed. And even had it been invented on the spot, the attempt to wrest control of the requirements process from the services would have involved a much larger war than this one (with unpromising consequences for the first weapons that tried to emerge from the new process).

The problems that appeared in the years that followed—and that seem so obvious in retrospect—should have surfaced in the struggle to secure Air Force and Navy concurrence in the common requirement. But the resistance of the services forced OSD to concentrate simply on securing *some* bi-service requirement, leaving to the side the question of "fine tuning" that requirement. The Secretary of Defense had directed that there would be a joint requirement, based on SOR-183. OSD was, in effect, committed to the Air Force requirement, suitably modified. Not unnaturally, the people managing this phase of the program worked on their first problem first, deferring to the later development process whatever problems they sensed about mission optimization or even technical feasibility.

C. 1962: The Source Selection Competition

The source selection process heavily weighted service preferences, since the services picked the members of the Source Selection Board, and the Board had considerable discretion in judging proposals. This process allowed the services to form and register their judgment before OSD exercised final choice. In this case, the Board judged both designs "acceptable," though both the Board and the services strongly preferred the Boeing design. The service preferences reflected the fact that the Boeing design gave each service more of its requirements. McNamara remained committed to a fighter that would be acceptable to both services, but provide the best performance in the limited war mission for the lowest cost. He judged General Dynamics the winner by these criteria and in yet another demonstration of determination, reversed the services and selected General Dynamics. This established source selection process did not readily accommodate intervention by the Secretary. By the time he intervened, elaborate scrutiny through prescribed procedures gave the Board's recommendation a legitimacy that his rejection could only seem to upset. And the Secretary's far less detailed information put him at a further disadvantage—both in arriving at a sound decision and in justifying it. (McNamara later reduced this problem by modifying source selection procedures to preclude service recommendation of a specific contractor.)

Moreover, in overruling the unanimous preference of the source selection system and the services, McNamara seems to have neglected the important Congressional dimension of defense contracting. On the one hand, the losing contractor had in Congress a powerful spokesman for its interests, Senator Henry Jackson (Democrat of Washington). On the other hand, since the apparent political debts of the new Administration favored General

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Dynamics (and Texas), the inference that politics had affected the contract award was inescapable.

Rather than involving the Congress in the choice, or even consulting key Congressional leaders, McNamara moved ahead on his own. When the Senate's Permanent Sub-committee on Investigations urged reconsideration of the contract decision, McNamara turned the hearings into a harsh adversary process—with unfortunate consequences both for the F-111 program and for his own reputation.

This case does not answer the question of how the political influence of external groups, specifically General Dynamics, affected the contract award. Such influence has been exercised in the past, particularly in conjunction with forceful Congressional sponsorship. But the evidence in this case does not provide grounds for solid judgment.

D. 1962–1968: The Development Program

Four features of the development process stand out in this case. First, after the contract award, regular participation in subsequent decisions was limited exclusively to the services (especially the user command and the SPO) and the contractor. In making the hundreds of decisions decomposing the paper design into components and finally to real widgits, the services and contractor acted alone. Thus large numbers of important trade-offs that led to subsequent degradation on some dimensions rather than others were made with an eye to service priorities rather than the Secretary's. Occasional OSD review of the process raised questions about decisions and reminded the program managers of the Secretary's objectives, but the day-to-day decision process was not much disturbed. Only in the later stages of the process, when production was well under way, did McNamara's limited war concerns receive attention, and by then mandated changes could only be quite marginal.

Second, after initial decomposition of the design proposal, the main parameters of the plane were fixed. Once disaggregated into subsystems and components of subsystems and so on, each regulated by a lengthy set of government specifications, little flexibility remained. Design problems that impacted on parameters crucial to performance characteristics that the service monitored—e.g. the growth in air frame drag—received extensive attention, while problems outside those measures—e.g. the declining thrust-to-weight ratio—did not. Attention was directed to the latter problems only when certain routinely scheduled flight tests demonstrated their severity. By that time, with production of the aircraft well under way, only marginal remedies were feasible.

Third, personnel practices made the program manager unduly responsive to demands from his service superiors. Program managers are regularly military officers, temporarily absent from combat commands that dominate the services. To obtain the satisfactory performance review required for advancement, these program personnel must respond to the desires of the operational command that will use the weapon. The Air Force's F-111 System Program Director (as well as other service personnel assigned to the program) had to attend to TAC's preference for the nuclear mission. In short, personnel practices tend to institutionalize concern in the development phase for the operational commands' performance goals.

Fourth, Congress, particularly Senator McClellan (who sat on both the Armed Services Committee and the DOD Sub-Committee of the Appropriations Committee at the time Congress cancelled the F-111B) powerfully influenced events, especially development of the Navy version of the F-111, by providing a receptive and influential voice for Navy dissatisfaction. Having been subordinated by fiat in the first instance, the Navy never submitted. Throughout the development process, the Navy held inflexibly to every performance characteristic. In the end, and in large part as a result of Navy resistance to the F-111, reinforced by Senator McClellan and his colleagues, the Navy won, escaping purchase of any F-111's and gaining authorization for the new fighter it desired. Again these features of the development process do not seem atypical.

III. EVALUATION OF U.S. GOVERNMENT PERFORMANCE

A. *A Reasoned Conception of U.S. Objectives Was Present:* excellent.

Having capabilities to fight limited wars was a reasonable objective. The F-105 decisions reflect just how sophisticated this conception was. The F-111 decisions reflect how problems of organization can override reasoned conception of objectives.

B. *The Best Obtainable Information Relevant to the Decision Was Made Available:* poor.

McNamara lacked sufficient information about the process he was attempting to control to achieve his objectives.

C. *The Implications Flowing from the Information Were Effectively Canvassed:* poor.

McNamara and DDR&E *did* have SOR-183 in front of them. Moreover, they had the F-105 experi-

ence to suggest the problems of nuclear-mission optimization for limited war capabilities. However, they failed to see the implications of basing a multi-service, bi-service requirement on SOR-183.

D. *A Full Range of Alternatives Was Considered:* poor.

In his first weeks in office, McNamara was presented with only the two alternatives served up by the services. The bargaining process that followed restricted consideration of these two alternatives.

E. *A Full Range of Relevant Considerations Was Applied:* poor.

Range of considerations was exceedingly narrow. Indeed, there seems to have been but a single primary consideration: get a bi-service fighter.

F. *All Appropriate Participants Were Consulted:* poor.

Consultations with Systems Analysis could have shown McNamara that he would not get the limited war aircraft he wanted. A sophisticated reading of the Navy critique could have been similarly informative. The narrow range of considerations and the constraints of the bargaining process appear to have precluded this awareness.

G. *The Decision Was Taken at the Lowest Level Possible:* excellent.

Appropriately, this was a cabinet-level decision.

H. *The Decision Was Clearly Communicated to Those Responsible:* excellent.

The memorandum of September 1 was clear and specific: "Changes to the Air Force tactical version . . . to achieve the Navy mission shall be held to a minimum."

I. *The Actions of the Responsible Officials Were Monitored:* poor.

Only very late in the process did OSD discover the problems with the F-111 for the Navy and for the limited-war mission.

J. *The Results of the Decision Were Noted and Assessed:* poor.

Visibility of results made them impossible to ignore, but no evidence of careful assessment and learning.

K. *The Resources Committed to the Action Were Commensurate with the Task:* poor.

L. *The Decision Process Was as Public as Was Consistent with its Nature:* no grade.

One's judgment on whether the decision process was sufficiently open depends upon one's judgment on the motivation behind the contract award. Apart from (indeed, because of) the still puzzling contract decisions, however, program information was quite widely disseminated and Congressional oversight was unusually active, but *post hoc.*

M. *The Decision Was Broadly Consistent with the Public's Sense of U.S. Interests:* poor.

The objectives (end duplicative procurement, expand limited war capabilities) had received public legitimation in a Presidential campaign and State of the Union address. The effort to achieve these objectives was as vigorous as conceivable. But the understanding was poor; thus the decision, flawed; and the result, a failure.

IV. PROBLEMS IN THE WEAPONS PROCESS

This case reveals a number of problems in the weapons process that are directly and importantly affected by organizational arrangements. Here we will simply note six more of which we will see again in the cases that follow.

- *Military requirements.* Should the process by which military requirements are established be unilaterally controlled by the service (and user command), be dominated by user command objectives, and yield a single option? Alternative processes might involve several services generating military requirements for the same mission, or each service submitting multiple options to OSD, or an OSD office capable of writing competing requirements.
- *Assessment and approval of military requirements.* By what process should military requirements (however generated) be assessed and approved? The information and analysis available to McNamara was clearly unsatisfactory. Eventually most of the information must come from the user command, but alternative arrangements for analyzing the military requirements could involve regularized critique by sister services (especially where there was competition for a mission), regularized examination by Systems Analysis, regular review by outside organizations like a NASA panel or PSAC, or even regular review by an office charged with analyzing organizational problems that might foul up implementation.
- *Contracting for development of a single aircraft.* The contract with General Dynamics for development of the F-111 followed what was at the time normal DOD practice. One contractor was picked to develop a single design which would then be procured (and produced by that contractor), assuming acceptable development. Alternative arrangements can be imagined for each element. The drawbacks to simply multiplying the number of requirements is that uncertainties are high at that stage and judgments tricky. Many of these uncertainties could be reduced by engineering development of feasibility prototypes for a number of alternative requirements, or even for a single re-

quirement. *Competitive* feasibility prototyping would expand the number of options available for procurement and provide a much more solid basis for choosing among them. Creation of an independent testing and evaluation office would guarantee identification of major technical problems and most of the mission problems as well. Further alternatives might involve revoking the implicit guarantee that the company that develops the prototype will get the procurement contract.

- *Development specifications and procedures.* By everyone's account, the current process sags under the weight of multiple layers of specifications and sign off. This stifles flexibility for adjustment when technical problems arise and slows the process enormously. Alternatives like competitive feasibility prototyping with independent test and evaluation would eliminate whatever need there is for most of these layers. The contractor could be left to make his own decisions about components and details, and the results of his efforts would be judged prior to a procurement decision.
- *The role of the Secretary of Defense.* This case raises serious questions about Robert McNamara's conception of the role and power of the Secretary of Defense. His reach exceeded both his intellectual grasp and his power. The contrast between his success with the F-105 and his failure with the F-111 is instructive. In the first, he could get what he judged best for the nation by saying: no. In the second, his affirmative decision amounted to an order, the accomplishment of which depended on actions over a period of many years by individuals and organizations, semi-independent of his control, with objectives different from his. By stopping Air Force purchase of F-105's and offering Navy F-4's, McNamara created leverage. In telling the Air Force and Navy to develop an aircraft jointly (the thought of which they abhorred) for a limited war mission (which TAC regarded as secondary), McNamara asked for too much. *The principal power of the Secretary of Defense is the power to say no.* His best hope lies in structuring processes so as to create menus that give him a tolerable alternative.

  The Secretary's conception of his role depends overwhelmingly on the man. Whether there are structural changes that might afford some aid in identifying opportunities for him to use his influence to the greatest marginal effect is uncertain. At a minimum, a staff office charged with "implementation analysis" could have heightened his awareness of the obstacles and costs inherent in his choice of the bi-service option.
- *Understanding of the process, responsibility, and accountability.* In devising the bi-service requirement and making it stick, many participants took comfort from the assumption that problems inherent in the requirement would surface later in the development phase and be successfully resolved there. The extent to which early decisions were, however, lacking in features that left room for adjustments was not well understood. Indeed, the whole story of the F-111 highlights the minimal understanding that officials seem to have had of processes they were charged with managing. Ignorance should not be a satisfactory excuse. But given the length of the life of the program and the rapidity of turnover in most of the jobs, when a problem was deferred at one stage and arose at the second, the person responsible for the first choice was gone and no one was accountable. Alternative arrangements include lengthening the involvement of high-level civilian officials in weapons development and making identified individuals responsible for specified pieces of projects.

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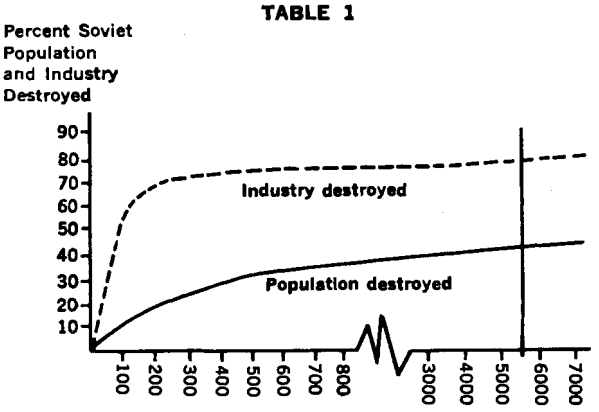
U.S. Strategic Offensive Forces in the 1960's*

Based on a Case by Graham T. Allison

Why does the U.S. maintain current levels of strategic offensive forces—1,000 MINUTEMAN ICBM's, 656 POLARIS/POSEIDON submarine-launched ballistic missiles, and 450 bombers—rather than half or twice these numbers? Analysis of the details of current force levels, especially if one includes warheads, throw-weight, accuracy, reliability and the like, is blurred by heat from the debate over Secretary of Defense James Schlesinger's new targeting doctrine, as well as classification of the facts about recent developments. But the *number* of U.S. strategic missiles has not changed since the early 1960's. (Indeed, the number chosen in the early 1960's was frozen in the SALT I Agreement on strategic offensive forces and ratified with minor changes at Vladivostok.) Examination of U.S. strategic offensive force levels in the 1960's should therefore throw light on the question of current forces, as well as answering the primary questions of this case: *why in the 1960's the U.S. acquired 1,000 MINUTEMEN, 656 POLARIS SLBM's, and 600 bombers—rather than half or twice each of these numbers.*

TABLE 1



Source: Destruction calculated from Posture Statement FY 1969, p. 57. EMT's from Table 6 below.

In his final report to Congress on the Defense Budget, (February, 1968), Secretary of Defense Robert McNamara offered a simple, direct answer to this question about the size of U.S. strategic forces in the 1960's. The U.S. chose the numbers required to meet American strategic objectives. The objective of U.S. strategic forces was *deterrence;* deterrence would be guaranteed by maintaining an "Assured Destruction" capability; the amount of damage required to assure destruction was *"one-fifth* to *one-fourth* of Soviet *population* and *one-half* of Soviet *industrial capacity;"* this level of damage could be achieved by the delivery of *200* one-megaton warheads on Soviet targets.

This answer has compelling, if awesome simplicity. In Secretary McNamara's summary:

> One can add many refinements to this basic concept, but the fundamental principle involved is this: it is the clear and present ability to destroy the attacker as a viable 20th century nation and an unwavering will to use these forces in retaliation to a nuclear attack upon ourselves or our allies that provides the deterrent.[1]

The difficulty with McNamara's explanation is illustrated graphically by Table 1. McNamara's explanation accounts for the first 200 one-megaton warheads (hereafter EMT's)[2] that could be delivered with assurance by U.S. strategic forces. But the strategic forces built up under Secretary McNamara's stewardship exceeded this number by a wide margin. Survivability, reliability, and accuracy affect how many of these EMT's would actually destroy

*For suggestions about the topic and comments on earlier drafts the author is grateful to Alain Enthoven, Jerome Kahan, Henry S. Rowen, and Albert Wohlstetter.

[1] *Statement of Secretary of Defense Robert S. McNamara before the House Armed Services Committee on the Fiscal Year 1969–73 Defense Budget,* 1968, p. 47.

[2] Perhaps the least unsatisfactory indicator of nuclear destructive potential is "equivalent megatons," a measure that adjusts for the diminishing blast effects from increasing yields. (EMT = $NY^{2/3}$ where N is the number of warheads of yield Y. For yields in excess of 1 megaton, the formula is EMT = $NY^{1/2}$.)

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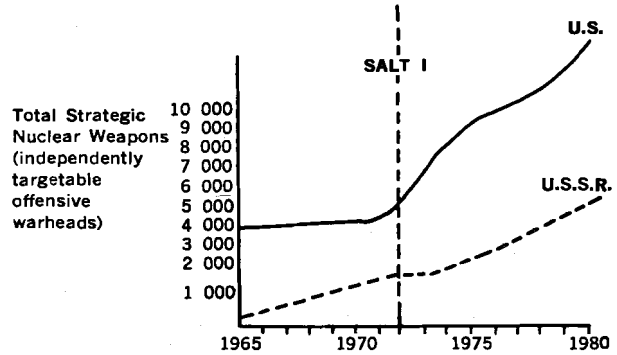
their targets after absorbing a Soviet first strike. But even under the most pessimistic assumptions, that number exceeds 200 by a large factor.[3]

In the early 1960's, the Kennedy Administration made the major choices about American strategic forces. These decisions were of great importance, not only because they set the numbers of missiles the U.S. would maintain through the decade of the 1960's, and by agreement with the Soviet Union in SALT, through the late 19[illegible], but perhaps of even greater importance, the numbers chosen far exceeded forces developed by the Soviet Union in the first half of the 1960's. After the fact, Secretary McNamara judged that the American build-up contributed substantially to the dramatic expansion of Soviet forces that followed, finally surpassing the U.S. number of missiles in 1970. In retrospect, everyone agreed that U.S. strategic forces were larger than required for use in any plausible scenario. U.S. MIRV programs increased further the U.S. lead in numbers of independently targeted warheads, only to be followed by a vigorous Soviet MIRV program, which Secretary Schlesinger recently presented to Congress as a spectre of over 7,000 large warheads by 1980, constituting an effective threat to destroy U.S. land-based ICBM's.

As Tables 2 and 3 demonstrate, in the immediate aftermath of the first SALT Agreement (June, 1972), both the U.S. and the U.S.S.R. moved to increase strategic expenditure, to increase numbers of strategic weapons, and to redouble R&D efforts for newer and better strategic systems.

[3]Careful examination of McNamara's own Force Posture Statements uncovers surprising evidence in support of this assertion. The FY 1966 statement notes: "Based on the projected threat for the early 1960's and the most likely planning factors for that time period, our calculations show that even after absorbing a first strike, our already authorized strategic missile force, if it were directed against the aggressor's urban areas, could cause more than 100 million fatalities and destroy about 80% of their industrial capacity." U.S., Congress, Senate, Committee on Armed Services, *Military Procurement Authorization, Fiscal Year 1966, Hearing,* force posture statement of Secretary of Defense Robert McNamara, 89th Cong., 1st Sess., 1965, p. 43. This means that *after* adjusting for survival reliability, and accuracy, U.S. missile forces alone could deliver over 1,200 EMT's. The FY 1967 statement repeats this assertion and adds that the bomber forces alone also have an A.D. capability. "Against current Soviet defense, the presently available B-52 G-H force (255 aircraft) is adequate to hedge against complete failure of the missile forces, insofar as our Assured Destruction objective is concerned." [*Statement of Secretary of Defense Robert S. McNamara before the House Armed Services Committee on the Fiscal Year 1967–71 Defense Program and the 1967 Defense Budget,* 1966, p. 50] McNamara's final Force Posture Statement, FY 1969, reports that even if Soviet capabilities surpassed the highest range of National Intelligence Estimates through 1972 (the standard five-year projection), U.S. strategic missiles *alone* would be able to deliver *six* times the number of EMT's required for Assured Destruction. [*Statement of Secretary of Defense Robert S. McNamara before the House Armed Services Committee on the Fiscal Year 1969–73 Defense Program and the 1969 Defense Budget,* 1968, p. 57.]

TABLE 2[4]

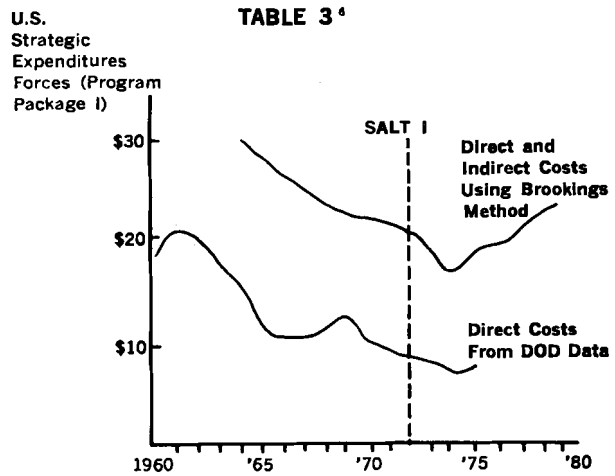


Such developments led the Chairman of the House Appropriations Committee in the FY 1975 Hearings on the Defense Budget to put the question candidly to Secretary Schlesinger:

> You seem to feel that there is no end to the arms race between the Soviet Union and the U.S. We build up, and that excites them to build up.
>
> Could it be that here we go merrily on our way to fiscal oblivion in Defense programs? . . . If both sides are furiously building and modernizing, where do you come to a slowdown and some agreement that can be safely entered into from the standpoint of the U.S. and from the standpoint of the U.S.S.R.? [5]

Reflecting on the recent further increases in both superpowers' strategic arms, even in the wake of the historic SALT Agreements, Secretary of State Kissinger maintains:

TABLE 3[4]



[4]Total number of independently targetable warheads (includes bombers). 1965, 1975, 1980 figures from Barry M. Blechman, *et al., Setting National Priorities/The 1975 Budget* (Washington, D.C.: The Brookings Institution, 1974), p. 111. 1972 figures from Alton M. Quanbeck and Barry M. Blechman, *Strategic Forces /Issues for the Mid-Seventies* (Washington, D.C.: The Brookings Institution, 1973), p. 26.

[5]FY 1975 Appropriations Hearings, p. 315.

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> We cannot expect to relax international tensions or achieve a more stable international system should the two strongest nuclear powers conduct an unrestrained strategic arms race. Thus, perhaps the single most important component of our policy toward the Soviet Union is the effort to limit strategic weapons competition.[7]

Examination of the process by which strategic force levels of the 1960's were chosen should provide some perspective on the larger question of the ways "organizational arrangements" affect decisions not only about unilateral American strategic force levels, but also about choices that interact with Soviet decisions and thus become the focus of arms control. (Finally, this case provides as an extra bonus, an unusual window into the current debate on "nuclear options" and some background for this project's case on that issue.)

I. OVERVIEW

Public understanding of questions about strategic forces is clouded by a number of factors. First, the subject is complex, involving calculations, technical projections, and lots of subtle assumptions. Second, most of the important facts are classified, even the historical facts. Third, complexity and classification necessitate summaries of the issues—summaries suitable for public consumption. Any summary must omit some elements of the problem; but in this area, omissions have often been of great importance. Finally, the Secretary of Defense's presentation of these issues involves advocacy as well as explanation. In framing the formulation of U.S. strategic objectives, reviewing calculations about the forces required to meet these objectives, and sanctioning or corralling classes of arguments, the Secretary of Defense attends to a wide range of considerations.

McNamara's official summary of U.S. strategic objectives and programs focused on deterrence through maintenance of a capability for Assured Destruction. U.S. strategic forces should have "an ability to inflict at all times and under all foreseeable conditions an unacceptable degree of damage upon any aggressor . . . even after absorbing a surprise attack."[8] That would be sufficient. Indeed, McNamara specified the level of destruction required and his Assistant Secretary for Systems Analysis, Alain Enthoven, directed careful analytic studies to construct yardsticks for identifying the number of EMT's that would achieve the necessary level of damage. According to Enthoven,

> In sharp contrast to most other types of military requirements, those for strategic forces lend themselves to calculation . . . It is not easy to get a statement of national policy that can be directly translated into military strategy. In some areas—strategic nuclear policy, for example—this has been done. Deterrence has been translated into Assured Destruction, and Assured Destruction into quantitative statements of adequacy.[9]

After careful calculation, Systems Analysis discovered that 200 EMT's were enough to destroy more than one-fifth the Soviet population and half its industrial capacity. Fine. The question remains: why did the U.S. acquire forces that exceeded by as much as a factor of ten this Assured Destruction criterion?

On occasion, both McNamara and Enthoven have recognized the fact that U.S. strategic forces numbered many more than what was needed for Assured Destruction. They have offered two explanations for this "overrun." First, according to Enthoven,

> The fact that an Assured-Destruction capability is so basic to the U.S. national security dictated that requirements calculations be made on the basis of *extremely conservative* assumptions. This conservative bias produced two major results. First, it led to the buying of very large forces. In fact, between 1961 and 1969, U.S. assured-destruction capability in being remained consistently higher than levels judged adequate by the Secretary of Defense and the President.[10]

This led to invention of a concept called the "greater than expected threat," a threat even more severe than that shown for the highest end of the National Intelligence Estimate and that approached the limit of Soviet technical capacity. The fact that Assured Destruction calculations were done conservatively, and should be done so, has bite. But even against the greater than expected threat, U.S. strategic forces consistently exceeded numbers required for Assured Destruction. The extent of the

[6]Sources: Data for direct costs of strategic forces, annual TOA in constant FY 1975 dollars from Department of Defense, Comptroller, unpublished computer tabulation (1974). Figures for strategic forces including indirect costs and projected costs of strategic forces are from Blechman, *op. cit.*, pp. 72, 91. The allocation of indirect costs involves a number of necessarily arbitrary assumptions, and there are substantial reasons to quarrel with the Brookings assumptions. Discussion of these allocation rules and suggestions about alternative ways of allocating indirect costs will soon emerge from work being done by Albert Wohlstetter, David McGarvey and associates.

[7]Press Conference, September, 1974

[8]*Statement of Secretary of Defense Robert S. McNamara before the House Armed Services Committee on the Fiscal Year 1969–73 Defense Program and the 1969 Defense Budget*, 1968, p. 47.

[9]Alain C. Enthoven and K. Wayne Smith, *How Much Is Enough? Shaping the Defense Program 1961–1969* (New York: Harper & Row, 1971), pp. 176, 199. Enthoven and Smith note "The evolution of a theory of requirements, from the pre-1961 notion of massive retaliation to deterrence based on assured destruction and finally to deterrence based on assured destruction *only* [emphasis added]," p. 195.

[10]*Ibid.*, p. 177.

overrun is illustrated by the notion of the Triad—that is, the three quite different strategic forces consisting of ICBM's, SLBM's, and bombers. Given the size of the forces acquired, many people assumed that the U.S. objective must have been for each of the three forces *alone* to have an Assured Destruction capability. For example, a major Brookings study *Strategic Forces Issues for the Mid-Seventies* states that "an independent retaliatory capability is maintained in these separate offensive systems—land-based intercontinental ballistic missiles, submarine-launched ballistic missiles, and manned bombers—that compose the Triad." [11] The forces acquired were so large that in fact each system independently did have more than an Assured Destruction capability. But as Secretary Schlesinger has observed: "I think the rationale of the Triad was a rationalization." [12] Secretary Schlesinger has asserted clearly that it has not been an official objective of the U.S. to maintain three independent Assured Destruction capabilities—whatever the actual capabilities acquired—and that U.S. forces are not presently being planned on that basis.

McNamara has pointed to insufficient information about Soviet strategic forces as the primary reason why the U.S. acquired strategic forces, "both greater than we had originally planned and more than we require."

> Since we could not be certain of Soviet intentions—since we could not be sure that they would not undertake a massive build-up—we had to insure against such an eventuality by undertaking ourselves a major build-up of MINUTEMEN and POLARIS forces.
>
> Thus, in the course of hedging against what was then only a theoretically possible Soviet build-up, we took decisions which have resulted in our current superiority in numbers of warheads and deliverable megatons. But the blunt fact remains that, if we had had more accurate information about planned Soviet strategic forces, we simply would not have needed to build as large an arsenal as we have today.[13]

Uncertainty about Soviet capabilities and plans has been an important factor. But we must be careful about collapsing too much history into too short a space. Uncertainty about actual Soviet capabilities—the infamous "missile gap"—was largely resolved in the first month of the new Administration. (On February 7, 1961, McNamara slipped in a press backgrounder, and dismissed the missile gap.) By October, 1961, the U.S. Government made an explicit decision to publicize for U.S. allies and for the Soviet Union the fact that the U.S. knew there was no missile gap, indeed, that U.S. strategic forces had marked superiority. But the FY 1963 budget, submitted to Congress in January, 1962, called for further large increases in U.S. strategic forces. Uncertainty about Soviet plans, as opposed to actual capabilities, also played an important role. Yet again, through the early 1960's, U.S. intelligence, including satellite photography, collected mounds of reliable information demonstrating that the Soviets were not engaged in a substantial build-up of strategic forces. Still, the U.S. build-up went full speed ahead. Thus, the level of U.S. forces cannot be explained satisfactorily in terms of a conservative effort to acquire very high-confidence ability to maintain an Assured Destruction capability in the face of uncertainty about Soviet capabilities. McNamara's and Enthoven's explanations of the size of U.S. strategic forces are not so much incorrect as they are incomplete.

II. THE PROCESS

A more complete explanation of U.S. acquisition of 1,000 MINUTEMEN, 656 POLARIS SLBM's, and 600 bombers—rather than half or twice these numbers—must look carefully at the process by which these decisions were made. A major drawback to prevailing explanations is that summary necessarily courts caricature. Here, too, space requires brevity—with similar vulnerability. As Enthoven has remarked, recapturing the full history is rather like trying to paint a moving train.

Tables 4, 5, and 6 capture some of the history of the build-up of U.S. strategic forces in the 1960's and offer some perspective on the relation between forces and doctrine. This evidence raises three pointed questions.

First, weren't the size and mix of U.S. strategic forces chosen prior to the doctrine and associated theory of requirements? In 1960 the number of intercontinental bombers reached 600 and did not vary by more than 100 for the next eight years. In 1961, the Kennedy Administration settled on forty-one POLARIS submarines carrying a total 656 SLBM's. That same year, McNamara decided privately on a ceiling of 1,000 MINUTEMEN. In 1961, McNamara reduced the planned TITAN II deployment to fifty-four missiles; the following year he scheduled the phase-out of ATLAS and TITAN I, limiting the number of large-payload ICBM's to the fifty-four TITAN II's. The approved number of MINUTEMEN ranged between 800 and 1,300 during 1961–1963, though McNamara had privately stated to aides as early as 1961 his judgment that

[11] Quanbeck and Blechman, *op. cit.*, p. 6.

[12] *U.S.-U.S.S.R. Strategic Policies*, Hearings before the Senate Foreign Relations Committee, March 4, 1974, p. 25.

[13] Address to the editors and publishers of UPI, San Francisco, September 18, 1967, reprinted in *U.S. Department of State Bulletin* (October 9, 1967), pp. 443–51.

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TABLE 4.—U.S. STRATEGY AND FORCES, 1961–1968

YEAR	McNamara's Announced Strategic Doctrine	Contemporary Estimates of Soviet Forces Deployed; Retrospective Estimates in Brackets []	U.S. Missiles Planned	U.S. Forces Deployed as of December
1961 (FY'62)	Emphasis on survivability and control. No real strategic doctrine yet articulated.	50+ ICBM [10] 190 long-range heavy bombers	126 ATLAS 54 TITAN I 54 TITAN II 800 MINUTEMAN 656 POLARIS	54 ICBM 80 SLBM 600 Long-range heavy bombers
1962 (FY'63)	Deterrence through the ability to destroy the enemy's "war-making capabilities" even after the U.S. has absorbed the first blow.	75+ ICBM [40] 200 bombers	54 TITAN II 800 MINUTEMAN 656 POLARIS	180 ICBM 144 SLBM 630 bombers
1963 (FY'64)	"City avoidance" strategy: maintenance of a "second strike force" capable of (1) striking at both military and non-military targets simultaneously, or (2) striking military targets first, holding the cities hostage as an incentive for the Soviets not to strike U.S. cities.	100+ ICBM [80] 100 SLBM 200 bombers	54 TITAN II 950–1300 MINUTEMAN 656 POLARIS	534 ICBM 160 SLBM 630 bombers
1964 (FY'65)	"Damage limiting" strategy: maintenance of forces capable of (1) destroying Soviet society under all conditions of retaliation, and (2) limiting damage to the U.S. by *not only* striking Soviet cities, but also their unlaunched forces.	200+ ICBM [130] 120+ SLBM 200 bombers	54 TITAN II 1000 MINUTEMAN 656 POLARIS	907 ICBM 320 SLBM 630 bombers
1965 (FY'66)	"Assured destruction" + "damage limitation" strategy: maintenance of forces capable of (1) destroying 1/4 to 1/3 of the Soviet population and 2/3 of its industrial capacity, and (2) limiting damage to the U.S.	270 ICBM [200] 120+ SLBM 200 bombers	54 TITAN II 1000 MINUTEMAN 656 POLARIS	854 ICBM 464 SLBM 630 bombers
1966 (FY'67)	"Assured destruction + damage limitation"	300 ICBM [300] 150 SLBM 200 bombers	"	1004 ICBM 592 SLBM 600 bombers
1967 (FY'68)	"Assured destruction," substantial retreat from damage limitation.	520 ICBM 130 SLBM 150 bombers	"	1054 ICBM 656 SLBM 555 bombers
1968 (FY'69)	"Assured destruction."	900–1000 ICBM 125 SLBM 150 bombers	"	1054 ICBM 656 SLBM 465 bombers

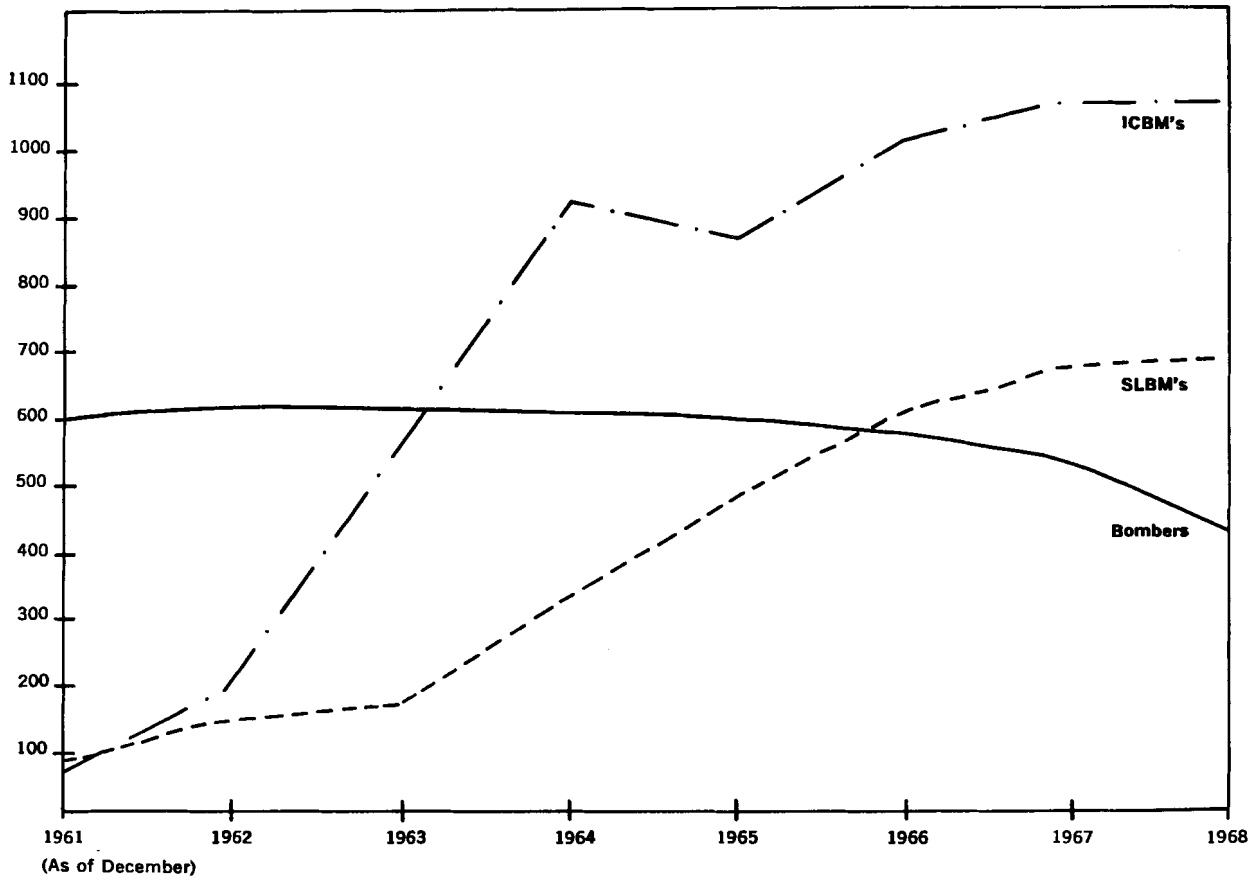
Sources: Strategic doctrine: Secretary of Defense's annual Force Posture Statements
Forces deployed: U.S. —U.S. Air Force, Strategic Air Command, *The Development of Strategic Air Command 1946–1973;* U.S. Navy, Strategic Systems Project Office, *Polaris & Poseidon FBM Facts*
U.S.S.R. —International Institute of Strategic Studies, *Strategic Survey* (1961–1969).

the number would be 1,000. In 1964, the Secretary of Defense announced the ceiling of 1,000 MINUTEMEN. But algorithms for calculating capabilities necessary for meeting Assured Destruction requirements were not developed until several years later.[14]

Second, how did strategic doctrines affect capabilities? Though the McNamara era is remembered primarily for Assured Destruction, official strategy shifted a number of times during the 1960's: from deterrence plus counterforce (FY 1963) to "city avoidance" (FY 1964) to "damage limitation" (FY 1965) to damage limitation plus Assured Destruction (FY 1966) to increasing emphasis on Assured Destruction alone (FY 1967-FY 1969). Despite this evolution of doctrine, the number of launchers programmed in 1961–1962 remained relatively fixed throughout McNamara's

[14]Enthoven and Smith, *op. cit.*, p. 177.

TABLE 5.—NUMBERS OF U.S. MISSILES AND BOMBERS 1961–68



Sources: SAC, *The Development of the Strategic Air Command 1964–73;* U.S. Navy, Strategic Systems Project Office, *Polaris and Poseidon Chronology.*

tenure (while actual capabilities steadily increased through qualitative improvements).

Third, in what sense were U.S. force levels coupled to Soviet capabilities? The decisions of 1961 and 1962 accelerated U.S. strategic deployment, and upped the planned numbers of launchers. But these decisions were taken at the very time U.S. intelligence was making a major revolution: the infamous missile gap was myth; the Soviet strategic build-up was much slower than previously feared. As mentioned above, in a February, 1961 background news briefing, McNamara discounted the missile gap.[15] By November, 1961, the U.S. Government announced to its allies and the Soviet Union that the Soviet Union was on the short side of the missile gap.[16] Yet the dramatic build-up proceeded full speed.

The conclusion that U.S. strategic forces in the 1960's were not driven by official strategic doctrine and estimates of enemy capabilities alone seems inescapable. Indeed, this history provides clues to part of the answer to the question of why U.S. strategic capabilities in 1968 so far exceeded the requirements of Assured Destruction. The level of U.S. forces was largely fixed by choices made prior to formulation of the doctrine in terms of which the question is posed. As McNamara has emphasized, the early choices were made under considerable uncertainty about Soviet plans and intentions. Nor was American strategic doctrine clear at that point. After the initial choices, the number of U.S. launchers was relatively unresponsive to changes either in U.S. doctrine or in Soviet capabilities.

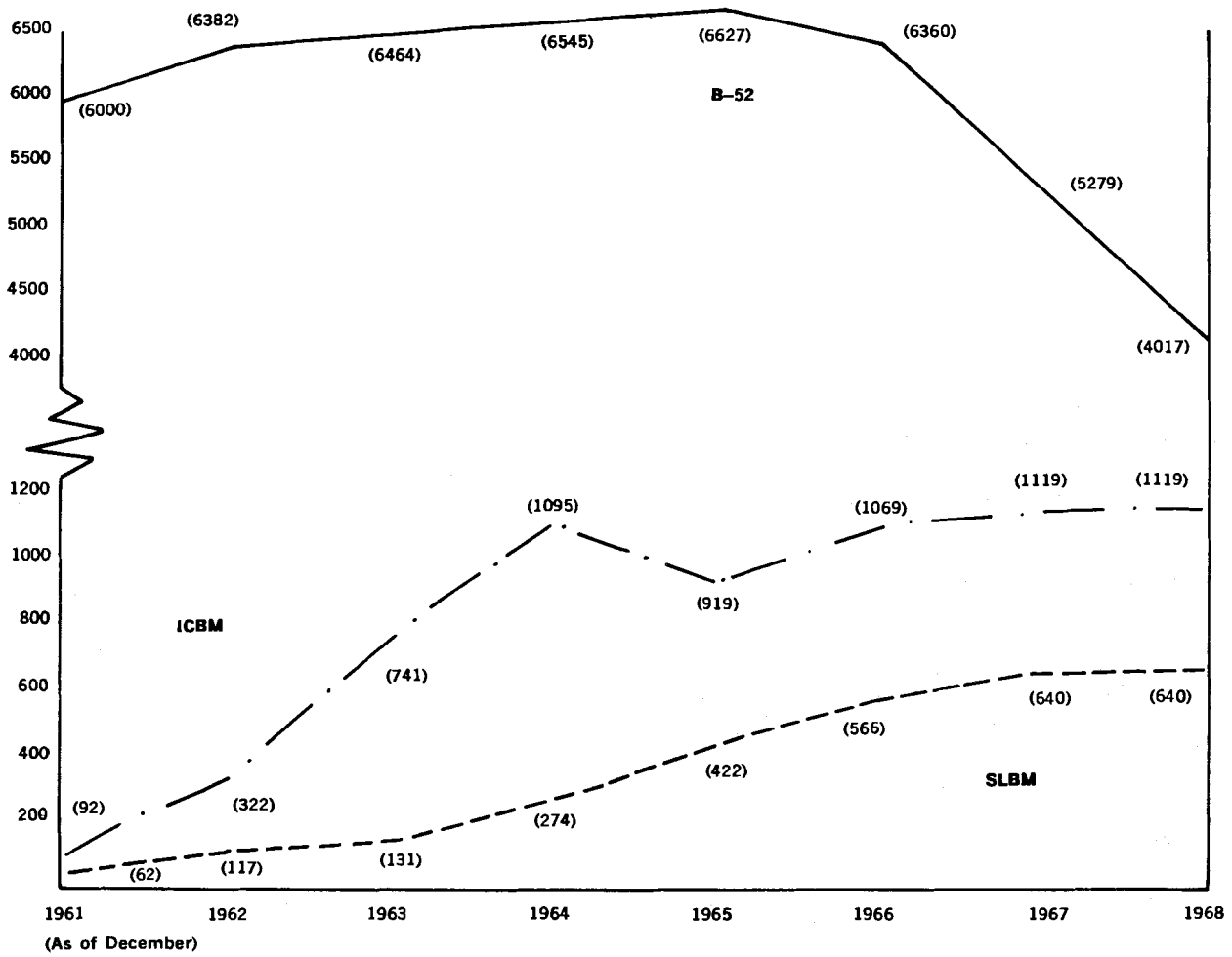
But what about the initial choices? And if the initial numbers proved after further analysis to be *more* than enough, why weren't these choices reopened and force levels adjusted accordingly? Indeed, why were actual capabilities regularly upgraded through the entire period? Seven factors seem to have been central.

First, the Administration that took office in January, 1961, did not choose strategic forces from a clear slate. Instead, McNamara and his colleagues

[15] *New York Times,* February 7, 1961, p. 1.

[16] See Roger Hilsman, *To Move a Nation* (New York: Doubleday, 1967), p. 163.

TABLE 6.—EMT'S 1961–68



Sources: Calculations made by Richard Huff on basis of sources in Table 5 plus ISS, *Military Balance* and SIPRI, *Yearbook*, 1974. For calculations see Appendix A of full case.

inherited from the Eisenhower Administration an array of strategic weapons at various stages of development and deployment. The decision to deploy had been made on the ATLAS, TITAN I, TITAN II ICBM's, the POLARIS SLBM, the SNARK and REGULUS air breathing cruise missiles, the THOR and JUPITER IRBM's, and B-47, B-52 and B-58 bombers. Weapons at the development stage included MINUTEMAN ICBM's, the SKYBOLT and HOUNDDOG air-to-surface missiles, and the B-70 bomber. The last Eisenhower budget (FY 1962) asked for funds for maintaining THOR, JUPITER, SNARK, TITAN I, ALTAS, and 600 bombers; for procuring 450 MINUTEMEN, seventy-two TITAN II's, twelve POLARIS submarines; and for advanced development of a new manned bomber, the B-70. Programmed levels of forces called for a total of 1,100 missiles and 600 bombers, though these were planning figures and not hard ceilings.

Thus the new Administration could not really ask: what strategic forces should we have? Inevitably, it asked: what shall we do about strategic forces already on the menu and soon to be served up—or indeed, those already on the table.

Second, the initial decisions were made *in a hurry* under conditions of considerable uncertainty about Soviet force plans and confusion about appropriate American strategy. In the campaign, Kennedy had attacked the Eisenhower Administration sharply for allowing a missile gap to develop, buying too few strategic forces, and attending too little to the vulnerability of American forces. Kennedy wrote his own State of the Union message with little help from the Department of Defense. He delivered that address on January 31, before most of McNamara's colleagues had arrived. That message called for sharp increases in U.S. POLARIS and ICBM forces. Kennedy directed McNamara to make a full review of U.S. defense needs and to report to him by the end of February. McNamara assembled a strategic

weapons task force under the leadership of Charles Hitch (who had come from his position as Head of Rand's Economics Department to be Comptroller at Defense) and Alain Enthoven (who had come from Rand's Economics Department to establish the Systems Analysis Office). Recapitulating conclusions of a decade of Rand studies, this task force identified the *vulnerability* of U.S. strategic forces as the number one problem and thus recommended the acquisition of survivable forces as the first priority. The task force also recommended stepping up U.S. deployment of MINUTEMAN and POLARIS to full speed (given the capacity of existing production lines) and thus U.S. concentration on solid-fuel, small-payload missiles—in contrast to large missiles like TITAN or bombers.[17] These views were translated into programmatic and budgetary recommendations by President Kennedy's Special Message to Congress on Defense needs in March, 1961, accompanied by a supplement to the FY 1962 budget that called for funds for full-speed deployment of MINUTEMAN and POLARIS missiles. This speed-up implied a level of forces at least as large as those that finally emerged.

Third, most of the direction and impact of these early choices reflected pressures in the domestic political environment. Given the President's campaign rhetoric about the missile gap, his pledge to strengthen U.S. strategic forces, and his personal inclinations, it is inconceivable that Secretary McNamara could have recommended stabilizing or reducing the rates and levels of missile deployment. Indeed, McNamara's "missile gaffe"—his slip in dismissing the missile gap—created a minor flap in the jockeying for position that characterized the new Administration's transition period. Given this background and the President's State of the Union message, the Hitch task force could not have come to the conclusion that the U.S. required anything less than more strategic forces. The question was: how many more, and of what kind?

Fourth, research and analysis at Rand, in universities, and in the influential Gaither Report, made Secretary McNamara and his colleagues sharply aware of the issue of vulnerability and the question of survivability. Having decided that this was the central problem, McNamara sought to use his influence to channel increases into the more survivable weapons systems and to encourage changes in existing forces to increase their survivability.

Fifth, the new Administration not only inherited a menu of strategic weapons. It also inherited a military establishment—which the outgoing President had warned about in his Farewell Address reference to a "military-industrial complex." This military establishment consisted of three major services, one of which was wedded to the supersonic manned bomber as the chief instrument of all forms of war. At the time, the Congressional committees responsible for reviewing Defense programs and budgets—the two Armed Services Committees and the Appropriations Subcommittees—provided strong, indeed often unquestioning, support for military experts—the Chiefs—in their judgment about what the national defense required.

Secretary of Defense McNamara determined to *lead* the Department of Defense, not just to oversee the services in their requests for programs that would serve their conceptions of the nation's defense needs. But he exercised leadership within powerful constraints. He applied his political muscle to pushing U.S. forces toward survivability and cost-effectiveness, and to holding down the very large numbers requested by the services.

Sixth, the initial decisions, once made, could not be adjusted quickly or easily. Not only did the cost-effectiveness of production runs, contracts, and appropriations make adjustment, especially any attempt at fine tuning, difficult; the Administration could not go back on its commitment to "more" without admitting that it had erred initially. Indeed, a powerful public argument would be required. Bureaucratic treaties had been made that could not be broken without charges of bad faith and a very long public argument with the military experts. Neither the President's political stakes nor his officials' bureaucratic stakes made this a live option.

Finally, though the subject is seemingly taboo, it is plain from the record that the Kennedy Administration inherited from its predecessor, a broad consensus existed on the necessity for American superiority in the strategic forces, coupled with explicit plans for American first-use of nuclear weapons in some contingencies. If Europe were attacked by Soviet conventional forces, then believed to amount to 175 divisions, the U.S. would have no alternative but to initiate nuclear war. The record suggests that American plans called for a strike against the Soviet Union aimed at disarming the Soviet ability to attack the U.S. as well as strikes aimed at defeating the attack on our European allies. Both for purposes of defense, and even more so for deterrence, the U.S. required a "credible first strike," that is, a credible ability to destroy by striking first the Soviet capability to attack the U.S. with nuclear weapons. Within the new Administration

[17]Though these recommendations were not surprising, they were not inevitable. As the current Secretary of Defense argued in his previous incarnation as a Rand analyst, greater concern about other contingencies, such as the hardening of Soviet missiles or agreements about the number of launchers "could have been such as to make it advisable to press forward with large-payload vehicles; yet decisions made earlier, largely on the basis of cost considerations that were crude in themselves, had already inclined the United States in the direction of small-payload missiles." James R. Schlesinger, "The Changing Environment for Systems Analysis," in Stephen Enke, ed., *Defense Management* (Englewood Cliffs, N.J.: Prentice Hall, Inc., 1967), pp. 106–107.

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there seems to have been no dissent either from the commitment to general superiority or from the requirement for a credible first strike (as long as the capability proved feasible).

McNamara insisted that Assured Destruction was the criterion for *sizing* U.S. strategic forces—for deciding how much is enough. But under McNamara, U.S. plans for *using* strategic forces—the SIOP—always called for attacking large numbers of military targets that were irrelevant to assuring destruction of Soviet population and industry. Earlier, McNamara had acknowledged the utility of these forces for "Damage Limiting," that is, destroying Soviet weapons and forces that would be used against Americans or our allies (though since official rhetoric restricted discussion of Damage Limiting to American second strikes, the question of why Soviet missiles would still be sitting in their silos after a Soviet first strike always proved troubling). Later, however, McNamara deemphasized and finally eliminated "Damage Limiting" as an official, public mission for U.S. strategic offensive forces. Still, U.S. plans for use continued to include the long list of military targets and presumably to contemplate first use in some contingencies.

What for McNamara was extreme conservatism in buying forces sufficient for the Assured Destruction objective under all imaginable circumstances was for Air Force planners the acquisition of sufficiently large numbers of forces to allow full coverage of the military targets of prime Air Force concern. The level of forces, and particularly the dramatic improvement in their capabilities that came with MIRV seems to have been the least McNamara could get away with while providing enough to keep the Chiefs on board.

In insisting on Assured Destruction as *the* strategic objective and the criterion for sizing, McNamara framed the terms of the argument so as to lead the bargaining process to an outcome closer to his preference. Over time, he seems to have hoped that he could lead the services to recognize what (from his perspective) was the hopelessness of nuclear war fighting, the infeasibility of translating unilateral U.S. strategic advantage into political or military advantage, and the necessity of arms control agreements. In any case, he aimed to establish a yardstick with reference to which we obviously had more than enough—thus holding down demands for even more. Choice of an official strategic objective with reference not only to a preferred objective, but also to affecting service bargaining leverage is a subtle and little-explored issue (and perhaps the most troubling aspect of Secretary Schlesinger's new doctrine).

This array of factors suggests how the American Government's choice of strategic force levels flowed from political as well as analytic processes. The most careful examination of these choices has been made by Desmond Ball in his study, "The Strategic Missile Programme of the Kennedy Administration, 1961–1963." Ball concludes:

> The decision by the Kennedy/McNamara Administration to procure 1,000 MINUTEMEN was, in essence, the outcome of a "political process," involving bargaining, negotiations and compromise between the various relevant groups and personalities both inside and outside the Administration, each with their own perceptions and interests.[18]

Recollections of specific episodes vary. On the number of MINUTEMAN missiles, the ballpark stretched from 450 on the low end to as many as 10,000 at the top. In early 1961, on a trip to Vandenberg Air Force Base, General Powers of SAC briefed President Kennedy on SAC plans for a total force of 10,000 MINUTEMEN. The lower bound seems to have been identified by Carl Kaysen, a Deputy Assistant for National Security Affairs, in examining graphs prepared by the Department of Defense Systems Analysis Office. The graph showed that when numbers of missiles were plotted against their effects in terms of numbers of enemy dead and industry destroyed, the curve was flat at 450. Though the details are not quite right, a number of sources confirm the thrust of David Halberstam's dramatization:

> In early 1961 some of the White House people like Science Advisor Jerome Wiesner and Carl Kaysen of the National Security Council were trying to slow down the arms race, or at least were in favor of a good deal more talking with the Soviets before speeding ahead. At that point the U.S. had 450 missiles; McNamara was asking for 950, and the Joint Chiefs were asking for 3,000. The White House people had quietly checked around and found that in effectiveness, in sheer military terms, the 450 were the same as McNamara's 950. Thus a rare moment existed, a chance to make the new start, if not turn around the arms race, at least to give it a temporary freeze. "What about it, Bob?" Kennedy asked. "Well, they're right," McNamara answered. "Well, then, why the 950, Bob?" Kennedy asked. "Because that's the smallest number we can take up to the hill without getting murdered," he answered.[19]

As for SLBM's the Navy had several years earlier picked the goal of forty-five POLARIS submarines, each with sixteen missiles. Enthoven tells the story of a Navy briefing in 1961 that presented the Navy's requirement for forty-five POLARIS submarines,

[18]Desmond J. Ball, "The Strategic Missile Programme of the Kennedy Administration, 1961–1963." (Ph.D. dissertation, University of Melbourne, 1972), p. 334.

[19]David Halberstam, *The Best and the Brightest* (New York: Random House, 1972), p. 72.

justified on the basis that this number would be required to exhaust the list of Soviet targets. The Navy made no reference whatever to the existence of the U.S. Air Force or to its possible contribution to the mission. McNamara's point of reference was the NSC study commissioned in 1961 (the "Hickey Study") to integrate U.S. strategic requirements with revised target plans. The Hickey Study "estimated the performance characteristics of the planned weapons system of all the Services and calculated how many would be needed to destroy 75% and 90% respectively of the projected targets in each of the 10 years." [20] On this basis, the study recommended forty-two to forty-seven submarines. Given the convergence of Navy aspirations and the advice of his own staff, McNamara had an easy choice. On September 22, 1961, he settled on forty-one submarines. An anecdotal account rings true. McNamara is said to have taken the Navy figure of forty-five, cut it by ten per cent and given the Navy the extra half boat.

Bombers presented a larger problem. The business of SAC was manned delivery of strategic nuclear weapons, and SAC dominated the Air Force. Given his concern about survivability and cost effectiveness, apart from institutional and political pressures, McNamara might have downgraded the bomber force dramatically, perhaps even down to the Soviet bomber levels. Given the forces that existed, he used his influence to press for greater readiness in the bomber forces, and to avoid buying a new manned bomber, thus cancelling the B-70 and SKYBOLT and later deterring AMSA and the B-1.[21]

III. ANALYSIS: IMPACT OF ORGANIZATIONAL ARRANGEMENTS ON U.S. DECISIONS AND ACTIONS

The major points about the impact of organizational arrangements on these decisions and actions have been foreshadowed in the discussion of the process. Here we will simply summarize the major points.

A. Under the Kennedy Administration, the U.S. acquired strategic forces at a faster pace, in larger number, of a somewhat different character than had been planned under the Eisenhower Administration. While Kennedy campaigned in 1960 against American strategic inferiority and the "missile gap," President Eisenhower's Farewell Address attempted to reassure Americans, asserting that "the bomber gap of several years ago was always a fiction and the 'missile gap' shows every sign of being the same." The general increase in American strategic forces reflected not only Kennedy's campaign rhetoric pledges, and personal views, but also the consensus among elites attentive to strategic policy. Reports of the Gaither Committee and Rockefeller Brothers' fund, research at Rand, and more popular writings like Henry Kissinger's *Necessity for Choice* —all pointed to the pressing need for increases in American strategic forces. While the Eisenhower Administration had held the line, it was largely out of step with prevailing opinion, as evidenced by campaign positions of both Presidential candidates.

B. The menu of weapons available to the new Kennedy Administration for acceleration was inherited in its entirety from the previous Eisenhower Administration, and indeed was provided exclusively by the military services. As noted above, the menu included:

- Deployed: THOR, JUPITER, SNARK, TITAN I, ATLAS, and 600 bombers.
- At the procurement stage: MINUTEMAN, TITAN II and POLARIS submarines.
- At the advanced development state: the new manned bomber, the B-70, and Mobile MINUTEMAN.

The new Administration chose exclusively from that menu.

C. The character of the Administration's choices about which weapons should be pushed, which should be slowed, and which stopped, reflected three central factors: a powerful Secretary of Defense who was determined to lead his department; strong Presidential backing for the Secretary of Defense; and the availability of careful, independent analysis of the problem in the Secretary of Defense's Systems Analysis staff (building on an understanding of the problem developed over the previous decade at research institutions like Rand). On balance, these three factors produced forces over the first half of the 1960's that were *larger* than would have been likely otherwise (given the Navy's lack of enthusiasm for POLARIS and the Air Force's preference for B-70's rather than MINUTEMAN); and in the last half of the 1960's strategic forces *smaller* than the services wanted, and many administrations would have provided. Absent any of the three, it is difficult to imagine the obsession with vulnerability, the emphasis on survivability, and the concentration on POLARIS and MINUTEMAN and the alert status of the bombers. Absent any of the three, it would be impossible to account for downgrading of bombers, the cancellation of the B-70, and the delay of the follow-on advanced manned bomber. The three also account in large part for the elimination of the large missiles, the ATLAS and TITAN I.

D. The character of the outcome, that is, the spe-

[20] Enthoven and Smith, *op. cit.*, p. 172.

[21] In FY 1963 there were decisions for a further build-up of U.S. forces, in part relating to damage-limiting objectives. Later there was the authorization of MIRV's. Both involved a longer story, which is essentially more of the same.

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cific features and numbers of American strategic forces over the 1960's, reflected not only a powerful Secretary of Defense armed with independent analysis and backed by the President, but also the preferences and power of military services backed by their Congressional allies. Not only in providing the menu, but also in choosing the systems and numbers, bargaining with military and their Congressional allies figures prominently. While McNamara succeeded in killing the B-70, the survival (and refitting) of 600 bombers reflected the Air Force's presence as an independent organization, and its influence. The number of MINUTEMEN emerged from bargaining with the Air Force and was higher because the number of bombers was lower. The sluggishness of change over the 1960's (from the point of view of the President and the Secretary of Defense) reflects the fact that most of the actions having to do with strategic forces are in the end performed by the military services.[22] Thus, while the Secretary of Defense announced changes in strategic objectives (emphasizing Assured Destruction as the sole criterion for sizing U.S. forces), the services maintained a strong interest in damage limiting and worked hard to maintain forces large enough to permit war fighting.

E. McNamara's various shifts in official U.S. strategic doctrine amounted largely to what Secretary of Defense Schlesinger had called "shifting sands." Though announced with fanfare that emphasized differences between the latest doctrine and its predecessors, these shifts had little impact on actual forces or force planning. McNamara's Assured Destruction objective, however, seems to have had a more important general effect on the longer run. As Secretary of Defense, he could have a very substantial effect on public conception of the military threat, the central strategic issues, and appropriate U.S. strategic objectives. McNamara made Assured Destruction the basis of a campaign to convince not only the services, but also Congress and the public of the hopelessness of nuclear war, the futility of the arms race with the Soviet Union, the necessity to accept essential equivalence with the Soviets in strategic forces, and thus the overwhelming importance of arms control agreements to stabilize this strategic relationship. The success of this campaign had a great deal to do with the country's willingness to enter talks with the Soviet Union about strategic arms and to accept the SALT I agreement. This erosion of the broadly-based American commitment to superiority in strategic arms deserves more careful study.

F. The influence of Soviet actions and the Administration perceptions of Soviet strategic developments had minimal effect on the Kennedy Administration's strategic build-up. While Administration actions were often explained as reactions to the Soviet threat—efforts to close this missile gap—by February, 1961, Secretary McNamara and his principal associates knew that there was no missile gap. By October, 1961, they were announcing this to the world. Yet the next budget submitted to Congress (FY 1963) called for further, substantial increases in American strategic forces.

[22]For an interesting related example, see Volume III of this study "Formulating Strategic Doctrine."

IV. CONCLUSIONS

This case raises a number of larger issues about appropriate organizational arrangements. First is the importance of a strong Secretary of Defense supported by the President (if U.S. strategic forces are to reflect Administration preferences). Second is the need for a strong independent analysis staff responsible to the Secretary (if he is to have the competence and confidence to intervene in service processes). Third is the importance of external research organizations like Rand in providing a deeper understanding of critical issues of strategic forces. Fourth is the importance of the services as the principal longer-run producers of American strategic forces: menus of choice; pressures in choice; and the implementation of choice. Fifth is the need for an analytic backstop in the White House to review major decisions on strategic forces of Presidential importance, to keep pressure on a Secretary of Defense to take a Presidential perspective and do quality control. Such a staff cannot—and should not try to—make the major decisions, or to manage the Department of Defense, or to review monthly milestones and the like. Even when fully backed by the President, the Secretary of Defense has challenge enough attempting to influence major decisions within the Pentagon. But if Kaysen, the Deputy Special Assistant for National Security Affairs, had had a staff of ten, and an appropriate forum, the issues inherent in the U.S. strategic build-up in FY 1963 (for example the need for 1,000 rather than 600 or 800 MINUTEMEN), and even the argument for arms control negotiations rather than unilateral build-up would have been more clearly structured for Presidential decision. A final point is the important interaction between U.S. official strategic objectives, the education of the American public about our strategic posture and requirements and the character of relations with the Soviet Union. Again, mechanisms like the ones suggested above should identify issues of such importance for structured Presidential choice.

MIRV*

Based on a Case by Graham T. Allison and Richard Huff

If a ban were placed on ABM, in the sense of banning the capability to intercept a ballistic missile attack, then as I see it at the moment, there would be no need for the U.S. to deploy MIRV.

John Foster, Director of Defense Research and Engineering, appearing before the Senate Foreign Relations Committee, 1971

QUESTION: Mr. Secretary, you indicate in relation to the upcoming SALT discussions that you are "proposing a number of research and development programs [improved guidance for MINUTEMAN and POSEIDON, increased yield for MINUTEMAN III, and an 'accuracy MIRV'] which would enable us to respond in kind in order to maintain the delicate balance of deterrence, should the Soviets decide to deploy a more efficient hard-target-kill capability than they now deploy." How would you define a "delicate balance of deterrence?"

ANSWER: The balance of deterrence is now delicate because the Soviet Union has achieved strategic parity with the United States. . . . Consequently, we dare not permit the Soviet Union to achieve a significant edge in any area of importance to the strategic balance, for example, in hard-target-kill capability. We hope to attain that goal through negotiations. But if we fail in that direction, we must be prepared to counter the growth in Soviet hard-target-kill capabilities with appropriate steps of our own.

James R. Schlesinger, Secretary of Defense, appearing before the Senate Armed Services Committee February 5, 1974

Was it not obvious, for example, that all this argument about MIRV was mere wind? It is almost as certain as sunrise that MIRV will be developed and deployed. The only role strategic thinkers will play in the process will be to find incomprehensibly elaborate reasons for doing so . . . MIRV will be, and after MIRV no doubt there will be Newt or Myrt or Marge.

Russell Baker, humorist, "Observer" Column, *New York Times*, August 10, 1969

Humor can be more cutting than analysis. Baker was unlucky in choosing the name of the weapon that would be developed after MIRV and justified as a device for offsetting a potential Soviet threat. But his point is worth contemplating.

This case examines U.S. research, development, testing, procurement, and deployment of MIRV (multiple, independently-targeted, reentry vehicles)—the major strategic weapons innovation of the late 1960's and early 1970's. The U.S. completed testing and began deploying MIRV in the summer of 1970—prior to a serious effort to negotiate an effective ban on MIRV. The decision to deploy MIRV on POSEIDON and MINUTEMAN had been made in 1965, following naturally on the 1964 decision for advanced development. Before that had come the decisions in the early 1960's to begin research on the project.

Each stage in the process could be a case in itself. Information about each of these stages is available to the Commission in the Arms Control Background Materials. A common thread runs through all the steps, a thread whose significance extends far beyond this single weapons system. At every stage in this history, MIRV was explained and justified and understood by Congress, and the public, in terms of what is called "the action-reaction theory." That is, at every stage, the primary explanation for U.S. development of MIRV was the necessity for the U.S. to *react* to the threat posed by Soviet ABM. According to the argument made by DOD officials and accepted by Congress and the public, because the Soviet Union was deploying a defensive weapon that threatened the ability of U.S. nuclear warheads to reach their appointed targets, the U.S. moved to negate the Soviet advantage by deploying a weapon that multiplied the number of independently-tar-

*Helpful comments on various drafts of the case were provided by J.P. Crecine, Ted Greenwood, George Rathjens, Thomas Schelling, Shannon Stimson, and Herbert York.

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geted warheads aimed at the Soviet Union. Without Soviet ABM, the U.S. would not have developed or deployed MIRV.

The widespread acceptance of this explanation is evident in two representative quotations. In an excellent article on "The Dynamics of the Arms Race" Professor George Rathjens of the Massachusetts Institute of Technology reviews the history of U.S. and Soviet strategic programs. He finds that "the U.S. response to the possible expansion of the Moscow ABM system into a country-wide system . . . was to equip MINUTEMAN III and POSEIDON missiles with MIRV warheads." This point was emphasized by Senator Jacob Javits in Senate Foreign Relations Subcommittee hearings on ABM: "Is it or is it not a fact," Javits rhetorically questioned Deputy Secretary of Defense David Packard, "that the MIRV system began to develop as soon as we had reliable information that the Russians were deploying an antiballistic missile system around at least one of their cities?" [1]

Careful examination of U.S. acquisition of MIRV casts doubt on this explanation. While Soviet ABM was one factor encouraging the U.S. MIRV program, it was only one, and not the most important one. Though it is impossible to replay history without Soviet ABM activity, the evidence suggests that the factors driving U.S. MIRV would have been sufficient, without a Soviet ABM whatever, to guarantee development and deployment. In fact, after the SALT treaty banned largescale ABM, U.S. MIRV deployment continued, unaffected—contrary to the judgment about "need" quoted at the outset. MIRV's justification by Pentagon spokesmen as an American reaction to Soviet ABM resulted more from "marketing" considerations than from an effort to write accurate history. Widespread acceptance of this justification as an adequate explanation reflects DOD's near unilateral control of public information about American and Soviet weapon developments, as well as the public's insufficiently critical acceptance of DOD explanations and its general tendency to accept an action-reaction theory of the arms race.

In addition, at the various stages in MIRV's development, important questions arise:

- About *technology:* do Executive or Congressional processes exercise effective choice and control over technological developments?
- About *secrecy* (the public having heard its first word of MIRV two years after the deployment decision had been made): are trade-offs between legitimate demands for security and legitimate concerns for an informed public made by a satisfactory process?
- About *arms control* (and ways in which arms control objectives can be mortgaged by unilateral weapons decisions): does the current weapons development process take appropriate account of the arms control implications of weapons choices?
- About *defense information:* do current processes for informing Congress and the public about both American and Soviet weapons development assure adequate, accurate, and timely information?

Section I of the case that follows is presented as a series of questions and answers. In an effort to use this case as a window onto larger concerns about the arms race, particularly the action-reaction theory, both questions and answers are cast in terms somewhat broader than MIRV alone, though answers are offered with specific reference to MIRV. Section II analyzes MIRV, using our standard questions. Section III evaluates these developments, using the Commission's idealized checklist.

I. OVERVIEW

A. MIRV as a Response to Soviet ABM?

1. Aren't Long Lead Times Inevitable?

In its simplest form, the action-reaction hypothesis identifies U.S. deployment of a weapon, MIRV, as a counteraction to Soviet deployment of a weapon, ABM. The action by the Soviet Union that provokes U.S. reaction is actual *deployment* of a weapon. Much public discussion of the arms race relies on this basic form of the action-reaction hypothesis.

This simplest picture neglects the central fact about strategic forces: namely, that weapons can be deployed only after a lengthy process of research, design, and development. Weapons are not selected at a moment, off the shelf. The normal incubation period for a strategic weapon—the time between initial research and actual deployment—is seven to fifteen years. U.S. MIRV deployment came a decade after the early research effort. Consequently, any relationship between one nation's deployment of a particular weapon and the deployment of a counter-weapon by the other becomes enormously complicated by assorted lags.

Conceivably, U.S. action at any stage in the process could be triggered by Soviet action. For example, evidence of Soviet research on ABM could stimulate U.S. research on MIRV, or U.S. develop-

[1] U.S., Congress, Senate, Committee on Foreign Relations, Subcommittee on International Organization and Disarmament Affairs, *Hearings*, 91st Congress, 1st Session, 1969, pp. 317–320.

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ment of MIRV, or any of the other combinations and permutations. It seems unlikely, however, that Soviet actions relating to any single weapon would serve as trigger for a whole decade of U.S. research, design, procurement, and deployment. Summary statements characterizing deployment of a particular weapon by one nation as a specific reaction to a particular weapon deployed by the other stand always in need of clarification.

This picture is complicated further by uncertainty. In an environment where one nation cannot be sure what weapons the other may be researching or developing or even deploying, the fact of long lead times in weapons acquisition means that prudent research and development must *anticipate* potential threats and potential requirements. Secretary McNamara highlighted this problem in 1965:

> The weapons we have in being are the result of research and development programs initiated as long ago as 10–15 years. We believe that the programs we have under way are more than adequate to insure our superiority in the years ahead.[2]

To be fully prepared for all contingencies—McNamara's "worst plausible case"—U.S. procurement and deployment of counter-weapons must precede Soviet deployment of weapons which the U.S. wants to be certain of offsetting. McNamara justified MIRV deployment in 1968 not in terms of what the Soviets had done, but as a precaution against what they might do:

> Because the Soviet Union *might* [emphasis in original] deploy extensive ABM defenses, we are making some very important changes in our strategic missile forces. Instead of a single large warhead, our missiles are now being designed to carry several small warheads . . . Deployment by the Soviets of a ballistic missile defense of their cities will not improve their situation. We have *already* [emphasis added] taken the necessary steps to guarantee that our strategic offensive forces will be able to overcome such a defense.[3]

This logic permits "reactions" that precede the action that might provoke them. But this possibility makes a jumble of the action-reaction hypothesis. Because of factors like long lead times in acquisition, uncertainty about enemy activity, and the consequent necessity for anticipation, decisions about weapons research, development, and procurement cannot be based solely or primarily on evidence about the enemy's actual weapons activity. Rarely can such evidence be decisive. Thus, the action-reaction hypothesis emphasis on tightly-coupled, specific, offsetting reactions to particular weapons seems less important, even in logic, than a loosely-coupled general competition in which each nation pursues broad strategic objectives that may be readjusted periodically, to some extent in light of forces assembled by the enemy.

When we move from logic to fact, we observe that each nation pursues its weapons strategy through large organizations for research, development, and use. What drives these institutions are not only estimates of enemy activity, but also their own internal dynamics. While these dynamics are not much studied and are not well understood, we shall identify some of these bureaucratic factors below in examining in more detail the questions of MIRV research, development, and procurement.

2. Can't Technology Trigger Itself?

In contrast to the notion of Soviet actions triggering U.S. research, it appears that in the case of MIRV, to a considerable extent, *the U.S. provided its own trigger.* Because research is typically multi-purpose, identifying a moment when research on a particular weapon began poses severe problems. At whatever point MIRV's origin is dated, however, the proposition that Soviet ABM provided *the* trigger seems suspect.

In 1957, William Holaday, Director of Guided Missiles for the Department of Defense, established the Reentry Body Identification Group and asked it to investigate difficulties for the defense that could be created by offensive missiles using penetration aides. Two concerns moved Holaday to act: the immediate spur was the need to elaborate challenges U.S. designers of ABM would have to face in meeting an attack that employed penetration aids. He also wanted to identify opportunities for U.S. offensive missiles against a possible future Soviet ABM.

The research agenda established by the committee powerfully influenced U.S. research over the next several years. Exploration of penetration aid options led directly to MIRV, though it is impossible to determine the moment of MIRV's conception. Greenwood identifies at least five independent inventors of the idea.[4] By 1962–63, ideas and technology had gotten together in both Navy and Air Force research programs aimed explicitly at multiple, independently-targeted warheads.

At every stage, the triggers were multiple. Everyone recognized the possibility of Soviet ABM. Some people worried primarily about that threat. Everyone had other concerns as well, and many of the participants were goaded more by these other concerns.

Air Force interest in a sponsorship of MIRV re-

[2] "Is Russia Slowing Down the Arms Race?" Interview, *U.S. News and World Report*, April 12, 1965, pp. 52–53.

[3] *Statement by Secretary of Defense McNamara on the Fiscal Year 1969–73 Defense Program and the 1969 Defense Budget*, pp. 52–53.

[4] Ted Greenwood, "Qualitative Improvements in Offensive Strategic Arms: The Case of MIRV" (Ph.D. Dissertation, Massachusetts Institute of Technology).

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search seems to have been motivated largely by the expanded list of vulnerable targets acquired by U.S. intelligence in the late 1950's. This interest was sanctioned and reinforced by McNamara's doctrine of counterforce. The following Defense Department answers to Congressional inquiries about MIRV origins capture this perspective:

> QUESTION 25: Wasn't the U.S. concerned when the Soviets located ABM around Moscow and Leningrad and didn't this lead to our decision to deploy MIRV's?
>
> ANSWER: The Multiple Independently Targeted Reentry Vehicle (MIRV) concept for MINUTEMAN was formulated in 1962–3 as an economical means of increasing the target coverage of the ballistic missile force.[5]
>
> QUESTION: Is it not true that the U.S. response to discovery that the Soviets had made an initial deployment of an ABM system around Moscow and possibly elsewhere was to develop the MIRV system for MINUTEMAN and POLARIS?
>
> ANSWER: Not entirely. The MIRV concept was originally generated to increase our targeting capability rather than to penetrate ABM defense. In 1961–2 planning for targeting the MINUTEMAN force, it was found that the total number of aim points exceeded the number of MINUTEMAN missiles. By splitting up the payload of a single missile [deleted] each [deleted] could be programmed [deleted] allowing us to cover these targets with [deleted] fewer missiles. [Deleted] MIRV was originally born to implement the payload split up [deleted].[6]

Navy interest in MIRV stemmed in large part from competition with the Air Force for the overall strategic mission including the expanded target list authorized by McNamara's counterforce doctrine.

The Office of the Secretary of Defense's motivation for MIRV research and development combined an interest in (1) counterforce and warfighting capabilities against an expanded target list; (2) targeting flexibility; and (3) cost-effectiveness in the struggle to contain Air Force and Navy strategic expansion, as well as fear of Soviet ABM.[7]

The technical community seems to have been driven by the "sweetness" of the technology and the researchers' competitive instinct, which was aroused primarily by U.S. ABM research, since little was known about actual Soviet ABM activity. This competition, which has characterized much post-war American weapons research, generates what we might label an intra-national action-reaction phenomenon. As Herbert York describes it:

> It is most important to note that these early developments of MIRV and ABM were not primarily the results of any careful operations analysis of anything that might be called a provocation by the other side. Rather, they were largely the result of a continuously reciprocating process consisting of a technological challenge put out by the designers of our defense and accepted by the designers of our offense, then followed by a similar challenge/response sequence in the reverse direction.[8]

The moral of the story would seem to be that the origins of research and development are inherently messy; that research and development have many triggers; and that at least in the recent past, U.S. research and development of specific weapons has been as much self-generated as Soviet-generated. And if we view the technology that produced MIRV more as the result of ongoing technological inertia than of a conscious, high-level executive decision, then the ability of Congress to exert some sort of control over this military technology immediately becomes suspect. Since there was no *single* technological trigger for MIRV, there was also no single technology program which the Congress could have cancelled, had it had the inclination to do so.

3. Don't Organizations Dominate Weapons Development?

Development of a weapon invariably consists of a hundred related strands. Here we can mention only a couple that relate to MIRV's most important features, namely accuracy. The action-reaction hypothesis asserts not only reaction, but counteraction that offsets the specific advantage gained by the first nation's action. To the extent U.S. MIRV constitutes a reaction to Soviet ABM, the characteristics of MIRV should be dominated by the requirement to overcome ABM. McNamara insisted that this was MIRV's aim and always described MIRV's capabilities in these terms. In presenting his last Defense budget to Congress, he maintained:

> Instead of a single large warhead, our missiles are now being designed to carry several small warheads and penetration aids, because *it is the number of warheads, or objects that appear to be warheads to the defender's radars, that will determine the outcome in a contest with an ABM defense* . . . We have taken the steps necessary to guarantee that our strategic offensive forces will be able to overcome such a defense.[9]

[5]U.S., Congress, House, Committee on Armed Services, *Hearings on Military Posture*, Part I, 91st Congress, 1st Session, p. 2022, cited in Tammen, p. 99.

[6]U.S., Congress, Senate, Committee on Appropriations, *Hearings on Department of Defense Appropriations*, FY 1969, Volume IV, 90th Congress, 2nd Session, 1968, p. 2310.

[7]In the latter stages of MIRV development, OSD seems also to have been concerned about the rapid build-up of Soviet offensive forces. See Greenwood, *op. cit.*, pp. 172ff.

[8]*ABM, MIRV, SALT, and the Nuclear Arms Race, op. cit.*, p. 59.

[9]FY 1969 Force Posture Statement, *op. cit.*, pp. 52–53, emphasis added.

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If the need to counter ABM explains MIRV's multiplicity of warheads, what explains its accuracy? In 1969, Director of DDR&E John Foster defended MIRV against charges that it would be destabilizing with the argument that MIRV's low accuracy (classified but generally estimated to be approximately one-fourth mile CEP), made it strictly a second-strike weapon (less provocative, Foster maintained, than the Soviet's MIRV containing warheads up to five megatons). On June 4, 1970, Foster revealed that a project to develop high accuracy MIRV warheads had been terminated a year earlier on the grounds that this accuracy would be "destabilizing." Yet throughout 1969 and 1970, MIRV flight tests proceeded routinely, presumably producing normal improvements in reliability and accuracy.

A combination of organizationally-based technological advances and tests led to a ten-fold increase in missile accuracy during the 1960's. A similar combination of technology and tests will almost certainly produce further improvement in MIRV accuracy. Jack Ruina, former head of the Defense Department's Advanced Research Projects Agency and a committed advocate of vigorous arms control, has suggested that arms controllers simply resign themselves to inexorable improvements in CEP: "On the issue of guidance accuracy, there is no way to get hold of it, it is a laboratory development, and there is no way to stop progress in that field." [10] Charles Draper, the foremost American expert in guidance, has predicted that "fairly soon" it will be possible to place a warhead "on the silo door." [11] This critical feature of MIRV would not be predicted by an action-reaction hypothesis of offsetting counteraction to ABM.

Design of U.S. MIRV as an ABM penetrator would also have strong implications for the number and size of reentry vehicles in a MIRV package. The U.S. Navy's choice of large numbers (ten to fourteen) of small warheads for POSEIDON would seem consistent with the objective. But MINUTEMAN III, the Air Force's MIRV, has three warheads of 200 kilotons each. Could these be designed primarily for penetrating an ABM shield? The official Air Force explanation of this configuration seems more to the point. According to General Otto Glasser, Deputy Chief of Staff of the Air Force for R&D,

> the size of the MINUTEMAN warhead was selected after rather intensive study as to what is the nature of the target structure that it is charged with attacking . . . The POSEIDON warhead, although they are very lethal against urban, industrial targets . . . would not be very effective in the yield combination that they have against harder targets.[12]

These features of MIRV—accuracy and warhead configuration—are better understood (and predicted) in terms of long-standing U.S. objectives and Air Force routines than in terms of the action-reaction hypothesis.

4. Isn't Deployment Importantly Affected by Bureaucratic and Domestic Politics?

Questions about U.S. MIRV deployment arise at three separate stages: first, why did the U.S. Government decide (in 1965) to deploy MIRV on POSEIDON and MINUTEMAN III? second, why did the U.S. Government complete testing and initiate deployment of MIRV immediately prior to the SALT negotiations? and third, why did the U.S. Government continue MIRV deployment after the SALT agreement in 1972 banned large-scale ABM? In each case, the official explanation linking MIRV to ABM seems insufficient. Satisfactory answers to these questions are not available. Each of the puzzles provides an interesting target for further research.

Weapons decisions are taken in increments.[13] The 1965 decision to deploy MIRV on POSEIDON and MINUTEMAN III flowed naturally from the 1964 decision for advanced development and engineering of MIRV.[14] We noted above the disparate and sometimes conflicting interests that converged in the development of MIRV. Greenwood's conclusion makes the central point:

> MIRV was a program that contributed to the objectives of all organizations and individual decision-makers in the innovation process . . . These [organizations'] perspectives were quite different and in some cases opposed. But it mattered little whether the different power centers could agree on underlying policy or priorities as long as they were unanimous in support of initiating and continuing research.[15]

The deployment decisions emerged from this same alliance of interests.

Air Force officers wanted MIRV because it con-

[10] U.S., Congress, Senate, Committee on Foreign Relations, Subcommittee on International Organization and Disarmament Affairs, *Hearings on Strategic and Foreign Policy Implications of ABM Systems*, 91st Congress, 1st Session, 1969, p. 672.

[11] *Washington Post*, June 22, 1969.

[12] U.S., Congress, Senate, *Hearings before a Subcommittee of the Senate Committee on Appropriations: Department of Defense Appropriations for 1972*, 92nd Congress, 1st Session, 1971, Part 4, p. 574. York maintains that the Navy's Special Project Office anticipated improvements in accuracy that would make POSEIDON warheads effective against most hard targets. Herbert York, "The Origins of MIRV," *SIPRI Research Report* No. 9, Stockholm, 1973, p. 17.

[13] This discussion of the MIRV deployment decision relies heavily on Greenwood, *op. cit.*, pp. 92ff, which discusses this question at greater length.

[14] York asserts that: "For all practical purposes, the decisions to deploy the two MIRV's were inevitably consequences of the decisions to develop them." See "The Origins of MIRV," p. 20.

[15] *Ibid.*, pp. 80–81.

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tributed to their central mission, namely, fighting strategic wars, and their special interest, namely, destruction of time-urgent military targets. Navy officers' interest in MIRV stemmed more from their judgment about its contribution to their preferred mission, namely, assured destruction of counter-value targets, plus their competition with the Air Force. The technologists wanted to see MIRV deployed because it had been developed, and it worked. DDR&E reflected not only technological fundamentalism, but also the strategic and political preferences of the Secretary of Defense. For McNamara, MIRV wrapped in a single package: a cost-effective, high-confidence assured-destruction capability against almost any conceivable future Soviet threat including ABM, the growth of strategic offensive forces, or whatever; increased counterforce capability (in which McNamara retained an interest even after reducing its importance); targeting flexibility; ammunition for his battle with the Air Force to hold down the number of MINUTEMEN and to avoid funding a new manned bomber; a defense against critics charging that growing Soviet expansion of strategic forces threatened the U.S.; and another argument against U.S. ABM deployment (on the grounds that the Soviets could deploy MIRV and thereby easily overwhelm ABM).[16] President Johnson depended on Secretary McNamara in strategic matters and seems to have noticed MIRV only as an argument against domestic critics. The Congressional committees followed the services and the Secretary of Defense—when they agreed. So the circle of players stopped here. Not until September, 1967, did the public hear its first word about MIRV. All decisions about development and procurement were made in secret.

Details of the bargaining among these interests include some interesting zigs and zags, including initial Air Force opposition to MIRV, cancellation of the Mark 17, and mild schizophrenia within the Navy. The central point, however, is Greenwood's: in spite of the differences, no one opposed deployment.

The timing and form of the deployment decision was somewhat affected by the bureaucratic politics of the Pentagon. 1965 was the year of the decision to make a major war in Vietnam. Each of the service chiefs moved to take advantage of the relaxation of budgetary restraint and the increase in military bargaining power that comes with war.[17] The Air Force wanted its advanced-manned bomber (AMSA); the Army wanted ABM. McNamara had already used MIRV deployment as partial justification for cutting back the programmed MINUTEMAN forces from 1,200 to 1,000.[18] MIRV deployment decisions were made in the context of preparing the FY 1967 budget. That budget delayed AMSA, reduced the number of B-52 and B-58 squadrons, and authorized MIRV deployment on MINUTEMAN III and POSEIDON. The coincidence seems more than sheer accident.

The larger unanswered question about MIRV deployment points to Robert McNamara. His decision to deploy MIRV coincided with his battle not to deploy ABM. If one examines his principal arguments against deploying an anti-Soviet ABM, however, it seems that they apply with equal force to MIRV. Consider his arguments:

- *Deployment is futile because the Soviet Union will meet U.S. actions with a reaction that offsets any advantage we would hope to gain.*

  > Were we to deploy a heavy ABM system throughout the United States, the Soviets would clearly be strongly motivated to so increase their offensive capabilities as to cancel out our defensive advantage . . . If we opt for heavy ABM deployment—at whatever price—we can be certain that the Soviets will react to offset the advantage we would hope to gain.[19]

- *Deployment is counterproductive because our actions will trigger a Soviet reaction that will require yet another expenditure on our part, hence "the mad momentum of the arms race." The surest spark for such action-reaction interactions are deployments of weapons that threaten the opponent's assured destruction capability.*

  > The Soviets are determined to maintain a nuclear deterrent against the United States. If this is true, as I believe it is, any attempt on our part to reduce their "assured destruction" ability below what they might consider necessary to deter us would simply

[16]Others in OSD who successfully opposed expansion of the MINUTEMAN force on grounds of cost-effectiveness had little to say about MIRV since it was cheap in Defense budget terms, the major costs being borne by the AEC which produced the nuclear warheads.

[17]With the outbreak of the Korean War, the U.S. defense budget tripled. Most of the spending went not to Korea but rather to implement NSC-68, a program for European defense.

[18]In his FY 1966 posture statement, he argued: "On the basis of our analysis of the general nuclear war problem in the early 1970's, I am convinced that another 200 MINUTEMAN silos are not required at this time. We now believe that we can markedly increase the 'kill' capabilities of the MINUTEMAN force through a number of qualitative improvements which now appear feasible. The MINUTEMAN force presently planned for the fiscal year 1970 will have a total destruction capability of at least 30–40% greater than a force of 1,000 MINUTEMAN I. This is equivalent to adding 300–400 missiles to a force of 1,000 MINUTEMAN I. With the additional improvements that now appear possible, the destruction capabilities of the MINUTEMAN force could be further increased in the future, if that appears desirable, by a factor of two compared with a force of the same size consisting of MINUTEMAN I." As Greenwood points out, the 30–40% improvement refers to the MINUTEMAN II program, but the "additional improvement" must be a reference to MIRV.

[19]From McNamara's San Francisco speech, Sept. 18, 1967.

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cause them to respond with an offsetting increase in their offensive forces. It is precisely this process of action and reaction upon which the arms race feeds, at great costs to both sides and benefit to neither.[20]

- *Deployment should therefore be postponed. Instead, the U.S. should negotiate arms limitations with the Soviet Union.*

  Under these circumstances, clearly it makes sense for us both to try to halt the momentum of the arms race which is causing vast expenditures on both sides and promises no increase in security. The logic of discussions to limit offensive and defensive strategic weapons is even more compelling than it was a year ago when the President proposed such discussions to the Soviet Union.[21]

Which of these arguments applies to ABM but not to MIRV? Why McNamara applied these arguments in one case and not in the other must be explained by more than the logic of U.S. and Soviet actions and reactions. No doubt the differences stem from other factors: MIRV obviously worked; MIRV provided a cost-effective way of performing missions other important players held dear; MIRV provided a cost-effective way of performing missions McNamara valued; and MIRV's arms control implications went largely unnoticed.[22]

The Nixon Administration's decision to complete testing and to initiate deployment of MIRV prior to hard bargaining in SALT about a MIRV ban poses a second cluster of puzzles. A short chronology is in order: the Nixon Administration postponed SALT negotiations from January, 1969, to June in order to have an extensive "strategic review"; through 1969, Senate advocates of arms control concentrated their energies on stopping American ABM deployment; in November, 1969; the first round of SALT talks began in Helsinki; in March of 1970, Senator Brooke's resolution proposing a suspension of U.S. and Soviet deployment of strategic weapons passed the Senate; MIRV tests continued through the spring of 1970; deployment began in June, 1970, at Minot Air Force Base in North Dakota; a SALT agreement was reached in May of 1972; but it made no reference to MIRV.

The strategic arguments used to justify U.S. deployment of MIRV prior to a real effort to negotiate a MIRV ban were shoddy. One line of argument for speedy MIRV deployment pointed to an air defense system near the city of Tallinn and the possibility that this system could be upgraded to provide a full ABM capability. In January, 1970, Foster argued for MIRV deployment on these grounds:

> The difficulty is that we can't prove that it [Tallinn] does not have substantial ABM capability. I don't know whether it does or not. I am going on the basis that it could have an ABM capability, and for that reason as much as any other I believe we must continue with deployment of our MIRV system.[23]

But this bogeyman—the proposition that Tallinn actually had a substantial ABM capability—had been exorcised earlier. In 1966 a National Intelligence Estimate presumably settled the great debate over Tallinn and "stated flatly that Tallinn was nothing more than an air-defense system."[24] In

[20]FY 1969 Force Posture Statement, *op. cit.*, p. 63.

[21]*Ibid.*, p. 63.

[22]Several further differences may have contributed to McNamara's distinction between MIRV and ABM. First is the relative cost-effectiveness of the action as opposed to the offsetting reaction in the case of the former, and not of the latter. Second, ABM could threaten all strategic ballistic missiles, whereas MIRV threatens only fixed ICBM's. Third, ABM is easy to verify; MIRV, hard. Fourth, ABM could conceivably threaten what we will label the "operational stability of deterrence" in a way that MIRV could not. Most arguments about whether a weapon is stabilizing or destabilizing refer to what might be called "theoretical stability," that is, the probability that a rational actor would attack an opponent, given a particular configuration of relative strategic capabilities. Both MIRV and ABM pose some threat to that stability, i.e., with either ABM or MIRV, a rational actor might choose to attack an opponent in some situations where he would otherwise refrain. A possible difference between the two systems arises if one focuses instead on "operational stability," which we will define to be the probability that a briefer as clever and persuasive as Herman Kahn could present a case for a first strike against the opponent that could tempt sensible senior political leaders. Accurate MIRV could threaten an enemy's fixed strategic forces, especially his land-based missiles. But since both superpowers have sea-based forces, more than sufficient to destroy the other society in a second strike, the argument for attacking the opponent's land-based forces and hoping that he refrains from responding with his sea-based forces seems unlikely to beguile any sensible politician. Absent a defense against the remaining forces, most politicians will perceive clearly their national defenselessness and refrain. In contrast, it may be slightly conceivable that with an extensive, effective ABM, in an ultimate crisis, a super-briefer could make a persuasive argument for attacking the opponent's land-based forces and relying on ABM to defeat the ragged enemy response. While it seems very unlikely that the briefer's argument would be correct, and even more unlikely that it would be believed by a sensible politician, it might nonetheless raise by some slight fraction the operational probability of a deliberate decision for nuclear war. A similar point is discussed at greater length by Morton Halperin in "Clever Briefers, Myopic Analysts, and Crazy Leaders," a paper prepared for the American Academy of Arts and Sciences' Summer Study on New Directions in Arms Control, August, 1973.

[23]*New York Times*, January 11, 1970, p. 2.

[24]John Newhouse, *Cold Dawn: The Story of SALT*, New York, 1973, p. 74. The National Intelligence Estimate contained dissenting notes. Newhouse quotes Ivan Selin, then Deputy Assistant Secretary of Defense for Systems Analysis: "The NIE's [National Intelligence Estimates] always contained disagreement on Tallinn. The Navy said it was just an anti-aircraft system. The Army said it had ABM potential. The Air Force waffled—didn't want to suggest that its missiles couldn't penetrate . . . The CIA, the only disinterested agency, always took a negative view of Tallinn's ABM potential, while the DIA . . . tended by and large to go along with the Army and Air Force views. All points of view

January, 1968 Secretary McNamara's Posture Statement declared:

> Now I can tell you that the majority of our intelligence community no longer believes that this so-called 'Tallinn' system (which is being deployed across the north-western approaches to the Soviet Union and in several other places) has any significant ABM capability.[25]

Moreover, even if one feared Tallinn's ABM potential, Foster's argument fails as justification for rapid deployment of MIRV. To transform the Tallinn system, based on the SA-5 surface-to-air missile, into an effective ABM would require not less than two to three years. This transformation would include installation of large radars easily observable by U.S. intelligence. Thus, if fear of Tallinn were the dominant motivation, the U.S. could wait for actual evidence of Soviet conversion of Tallinn before completing testing and deployment of MIRV—without any serious threat to U.S. assured-destruction capabilities. Furthermore, delay of U.S. MIRV tests and the initiation of deployment should have had a small effect on actual warheads deployed. Only ninety MINUTEMAN III's were emplaced in the first year of activity, and no submarines were fitted with POSEIDON for a year after the Senate resolution.[26]

President Nixon produced a second argument for rapid MIRV deployment. Reacting to the Brooke resolution, Nixon argued that suspension of MIRV tests in advance of SALT negotiations would "remove the incentive" for the Soviets to negotiate in Vienna. MIRV, he maintained, would be a "bargaining chip" in SALT. To the contrary, Senator Brooke pointed out that the *prospect* of MIRV deployment might serve as a bargaining chip, but the *fact* of MIRV deployment would be likely to eliminate the chip. After MIRV deployment,

> the negotiations would have to center on reductions or removal from the force of weapons already fielded. This would surely make more complex the problem of verification and increase the need for on-site inspection, one of the most formidable stumbling blocks to progress in arms control.[27]

Brooke was right. SALT I ended with an agreement limiting ABM and the number of strategic launchers—but without mention of MIRV.[28]

Perhaps MIRV did serve as a bargaining chip—not with the Soviet Union, but within the U.S. Government. According to some speculation, the price for JCS support of the initial SALT negotiating positions included MIRV.[29] Others have argued, however, that postponement of MIRV testing and deployment would not have been difficult—that the major players simply miscalculated and the organizational processes ground on.

A third set of strategic considerations raised by rapid MIRV deployment seems to have been mostly neglected. In the Nixon Administration's strategic review prior to SALT, and indeed throughout the SALT negotiations, one Soviet weapon worried the U.S. most: the SS-9, a mammoth Soviet launcher (reminiscent of the U.S. TITAN) which the Soviets deployed in large numbers in the late 1960's. American defense analysts feared not the SS-9 by itself. Instead, the threat to American strategic forces came from MIRV's that could be launched by an SS-9. Because of its enormous thrust, each SS-9 could ferry three five-megaton warheads, or large numbers of warheads of MINUTEMAN III size. If these warheads could achieve accuracies of one-quarter to one eighth mile C.E.P., the Soviet SS-9 force could pose an effective first-strike threat against U.S. MINUTEMEN.

In negotiations, the U.S. tried to limit this threat by restricting the number of SS-9 launchers. Was this the only way in which the threat could have been met? Obviously not. An effective MIRV ban would have been more effective.

A final deployment puzzle stems from the continuation of U.S. MIRV installation after the ABM ban. Director of DDR&E Foster testified in 1971 that "if a ban were placed on ABM, in the sense of banning the capability to intercept a ballistic missile attack, then as I see it at the moment, there would be no need for the United States to deploy a MIRV." [30] Shortly after Foster's testimony, a ban of the sort he referred to was established. MIRV deployment continued unabated.

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were predictable and reflected the interests of the agencies involved." pp. 74–75.

[25]FY 1969 Force Posture Statement, *op. cit.*, p. 55.

[26]David Koplow, "Modeling the Arms Race: The Case of MIRV" (Undergraduate thesis, Harvard University, 1973), p. 85.

[27]U.S., Congress, House, Committee on Foreign Affairs, Subcommittee on National Security and Scientific Developments, *Diplomatic and Strategic Impact of Multiple Warhead Missiles, Hearings*, 91st Congress, 1st Session, 1969, p. 61.

[28]It can be argued that the Soviet Union would not have accepted any MIRV ban. But available evidence does not suggest that the Administration made a real effort. The U.S. did propose a MIRV ban at the beginning of the second round of SALT talks (April 16, 1970). But "Option C" as it was called, saddled the MIRV ban proposal with a demand for on-site inspection. The Soviet delegation rejected the proposal summarily as non-serious. Why President Nixon and Kissinger insisted on linking a MIRV ban to on-site inspection (which was known to be unacceptable to the Soviets) is unclear. Rogers, Smith, and Richardson strongly opposed this linkage, preferring an uninspected ban. Newhouse speculates that their failure to make a fight on this issue indicates that the President had taken a tough position from which he would not retreat. Newhouse, *op. cit.*, pp. 180ff.

[29]*Ibid.*, p. 129.

[30]U.S., Congress, Senate, Committee on Foreign Relations, *Strategic Arms Limitations Agreements, Hearings*, 92nd Congress, 2nd Session, 1972, p. 248.

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Again, explanation requires more than the official arguments. If full MIRV deployment had been part of the agreement with the JCS for support of SALT, then SALT's ban on ABM would not affect deployment. The additional capabilities provided by U.S. MIRV were seen by some people as a way of offsetting the Soviets' advantage in numbers of launchers. But the primary reason MIRV deployment continued was institutional inertia: stopping MIRV deployment simply because its prime rationale had been eliminated would have required strong action by some officials against the interests of others whose commitment to MIRV always transcended the official arguments. In the absence of a real initiative by some player, and a fight, MIRV deployment would continue. None of the players involved was motivated to pick such a fight.

II. ANALYSIS: IMPACT OF ORGANIZATIONAL ARRANGEMENTS ON U.S. DECISIONS AND ACTIONS

While MIRV must be judged in retrospect a technically remarkable, cost-effective achievement, critical deficiencies mark the process that developed and deployed MIRV: inattention to arms control considerations; absence of deliberate, informed choice; lack of public scrutiny; insulation from the influence of Congress and external groups. This section reviews the organizational bases of these inadequacies.

The development and deployment of MIRV served a variety of personal and organizational interests. For Robert McNamara, MIRV vastly (and inexpensively) strengthened the assured-destruction capability of U.S. forces; it provided leverage in his struggles to impose a MINUTEMAN ceiling and delay ABM deployment. For the Air Force, MIRV was the only path to counterforce once the MINUTEMAN ceiling had stuck. For the Navy, MIRV meant more capability to perform its assured-destruction mission. The R&D community naturally viewed MIRV as a technical challenge, a job to be done. One set of considerations that was *not* injected into the MIRV development process until the final quarter of the ballgame was arms control considerations—considerations which, if injected earlier, may have had an outside chance of delaying U.S. MIRV tests and deployment at least until a flight test ban had been offered to the Soviets at SALT I. By the time the arms control implications of MIRV were realized in 1968–69, it was too late to stop the program. After testing began, deployment was virtually certain. Given the widespread support for MIRV within the Pentagon and the technical community, however, it is doubtful that an "arms control impact statement" prepared as early as 1965–66 could have changed the eventual outcome of the MIRV story. Moreover, even if such an impact statement had been prepared, a case could have been made for the arms control benefits of the MIRV system. From McNamara's perspective, MIRV helped to forestall or eliminate several far more expensive strategic weapons programs: the NIKE-X, AMSA, and 200–300 extra MINUTEMAN missiles. It therefore was something of an arms controller in its own right.

In the 1969–70 time period, the principal alternatives concerning MIRV, in the mind of the concerned public, at least, were the issues of to test or not to test, to deploy or not to deploy. There is no evidence, however, that these questions were ever really seriously considered by the Defense Department, that the no test/no deployment alternatives were ever really live options. This was so because there was no organizational mechanism for those concerned with MIRV's arms control implications to get an "injunction" against its scheduled testing and deployment—just as there had been no similar mechanism to force consideration of those implications several years earlier, when MIRV was first being developed. In the absence of such a mechanism, MIRV tests went off as planned, and whatever chance there was of achieving a ban on MIRV's was lost.

What is striking about the MIRV development story is the extremely routine fashion in which it was handled. Research led into development which led into testing and deployment almost automatically. Rarely was there a top-level policy decision on the matter; the program remained in "channels" and proceeded ahead according to the routines of the technical organizations running it. Because there was no organizational mechanism for forcing the issue into top-level consideration, implementation of MIRV's development schedule went on smoothly and quietly—and eventually made the "to MIRV or not to MIRV" question moot.

For a weapon system of its importance, MIRV managed to evade public attention for a surprisingly long period of time. Not until a year before it was scheduled to begin flight testing, 1967, did this previously obscure acronym enter the public vocabulary. And it was not for another two years that MIRV became the subject of public controversy. In part, this lack of controversy over what was to become the major weapons acquisition project of the late 1960's and early 1970's resulted from most arms control advocates' preoccupation with the ABM debate. MIRV was a sideshow in comparison.

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But it is also traceable to a lack of private controversy within the government on the question of MIRV. MIRV was many things to many people; it had something for just about everyone concerned with the development of strategic offensive arms. Because it was so popular, its development went ahead smoothly, routinely, and above all *quietly*. Because those concerned with arms development were satisfied with the project, there was no incentive for them to release information about it. And, unfortunately, no other source of such information was available, since the flow of defense information was controlled by the Defense Department. Thus, those who were concerned with arms control were left largely in the dark. As there were no fires of controversy inside the weapons-development house on the question of MIRV, those outside of it (such as ACDA) could see no smoke.

Nor could the Soviets, for that matter. Whatever chance there may have been for achieving a MIRV ban or limitation at SALT I was eliminated by the Soviets' lack of interest in one—which may be traceable, at least in part, to the non-controversial nature of MIRV within the American Government. "It seems possible that the Soviets were convinced that the Nixon Administration was not serious about banning MIRV and that those who favored such a ban were therefore unwilling to fight the internal battles necessary to produce an acceptable proposal." And, adds Greenwood, "precisely the same thing may have been happening in the United States." [31]

Despite the public controversy finally aroused over MIRV in Congress, the arms control community, and to a lesser extent the general public, the influence of external groups on the MIRV program was probably quite minimal. True, MIRV's opponents did win a few victories: cancellation of the stellar inertial guidance system for POSEIDON in 1970, symbolic reductions in the ABRES (Advanced Ballistic Reentry Systems) budgets for FY 1971 and FY 1973, elicitation of policy statements by Nixon and Laird downplaying MIRV's counterforce role, cancellation of the proposed Mk 19 hard-target MIRV in 1972. But what effect did these victories have? Perhaps—just perhaps—they delayed the acquisition of an efficient hard-target killer for a year or two. Policy statements to the contrary, the U.S. *does* have a substantial counterforce capacity in its MINUTEMAN force (it was, after all, expressly designed for that purpose), and the force posture of its strategic weapons is little different from what it would have been in the absence of all the controversy.

[31]Greenwood, *op. cit.*, p. 226.

III. EVALUATION OF U.S. GOVERNMENT PERFORMANCE

A. *A Reasoned Conception of U.S. Objectives Was Present:* fair-to-good.

As mentioned previously, MIRV achieved a wide range of objectives for the various actors in the development process. Most of these were fairly well-reasoned too: assured destruction, ABM penetration, expanded target coverage, limited counterforce capability, and so on. The principal shortcoming in U.S. reasoning, however, was the apparent failure to realize that the abovementioned objectives are not really fundamental U.S. objectives at all. Rather, they are only means of achieving a more important end: security. And there seemed to have been less reasoning than would be desirable about how MIRV promoted or detracted from this larger goal.

B. *The Best Obtainable Information Relevant to the Decision Was Made Available:* fair.

Certainly there was a wealth of information regarding the technical feasibility of MIRV, but there was a lack of information regarding its potential arms control implications and the possibility of a bilateral ban or testing moratorium with the Soviets.

C. *The Implications Flowing From the Information Were Effectively Canvassed:* fair.

Enormous amounts of time, energy, and money were spent on developing the technology for MIRV and in assessing how it would fit into the general picture of U.S. strategic forces. But only a fraction of that was devoted to assessing MIRV's impact on the overall strategic balance—largely because there was (and is) no routinized mechanism in the weapons development cycle for injecting arms control considerations into the process. The arms control implications of MIRV went unnoticed because no one involved in the project was told to notice them—and no one outside of it knew enough to care.

D. *A Full Range of Alternatives Was Considered:* poor.

Consideration of the moratorium or ban on MIRV testing was never given a fair hearing. It could be argued, however, that given the advanced state of the program and its critical importance to the military, such options were rather unrealistic.

E. *A Full Range of Relevant Considerations Was Applied:* fair.

The arms control impact of MIRV was not carefully considered at any stage in the process. Other considerations, however, were carefully examined and balanced.

F. *All Appropriate Participants Were Consulted:* fair.

All of the appropriate participants in the weap-

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ons-development community were consulted, but those involved in weapons control, ACDA and State, for example, were excluded until it was too late to matter.

G. *The Decision Was Taken at the Lowest Level Possible:* fair.

The problem in the MIRV development story was precisely that decisions were made at relatively low levels in the government hierarchy, that only rarely did MIRV receive top-level consideration. True, there was some debate over MIRV between Secretary McNamara and the services prior to 1965, but after this date MIRV was the subject of only extremely sporadic top-level thought.

H,I,J. *The Decision Was Clearly Communicated to Those Responsible/The Actions of the Responsible Officials Were Monitored/The Results of the Decision Were Noted and Assessed:* excellent.

The one thing the Government cannot be faulted for is the implementation of its decisions concerning MIRV. Once the go-ahead on MIRV procurement had been given in 1965, implementation of that decision flowed smoothly right through the testing and eventual deployment of the system.

K. *The Resources Committed to the Action Were Commensurate with the Task:* excellent.

Again, no slip-ups here.

L. *The Decision Process Was as Public as Was Consistent with its Nature:* fair.

Decisions concerning strategic weapons systems are generally very secretive by nature, yet the degree of secrecy surrounding MIRV was inordinate and probably excessive. It is noteworthy that this acronym entered the public vocabulary three years before it began to be deployed—an extraordinarily short period of time for such a major weapons system. (Compare, for example, the amount of publicity surrounding other programs at much earlier stages in their development processes, programs such as SAFEGUARD, TRIDENT, and the B-1.) Whether this silence was by conscious design or merely resulted from MIRV's noncontroversial nature is unimportant here, for the effect was the same: opposition to MIRV was too little and too late, and the arms control issues surrounding it did not receive a fair hearing. Surely such an important program should have received greater public scrutiny and debate.

M. *The Decision Was Broadly Consistent With the Public's Sense of U.S. Interests:* impossible to determine.

The answer to this question depends, of course, upon whose "public" one refers to: Senator Jackson's or Senator Brooke's. One guess would be that Senator Jackson's views would be more representative of those of the entire American public, but it is only a guess.

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CHAPTER 5

ABM*

Based on a Case by Frederic A. Morris

In September, 1967, Secretary of Defense Robert McNamara announced the Johnson Administration's decision to deploy an ABM. Designated "SENTINEL," this system was supposed to protect U.S. population centers from a primitive Chinese attack, to catch accidental launches, and to provide some protection for the U.S. MINUTEMAN ICBM force against an all-out Soviet attack.

In March, 1969, President Nixon announced a "substantial modification" of the SENTINEL ABM. Relegating the mission of population defense to a poor third, Nixon's speech placed primary emphasis on the protection of MINUTEMAN sites. To achieve this objective, the President proposed replacing SENTINEL with "SAFEGUARD." But under the SAFEGUARD label one found the same actual hardware (missiles and radars) that had been developed for SENTINEL—now shifted to MINUTEMAN sites.

According to numerous experts, including many who applauded Nixon's intention to defend U.S. ICBM's, this SAFEGUARD system provided poor protection for MINUTEMAN. Its interceptors were too few and too slow to foil a determined Soviet attack. Even more critically, SAFEGUARD's "soft" radar made the entire system vulnerable to a single attacking missile. Technology did not dictate SAFEGUARD's deficiencies. An effective system was technically feasible. The question is therefore: Why did the Nixon Administration choose a system so ill-suited to the defense of MINUTEMAN?

Explanation must begin with politics. The new Nixon Administration faced growing opposition on Capitol Hill in 1969. Having pushed ABM into Lyndon Johnson's lap, Congress threatened to take it away from Richard Nixon. The new President was determined to deploy ABM. But he needed to act quickly. As a result, exploration of the available options suffered.

Better analysis alone, however, would not necessarily have improved the outcome. The Administration had to select from the current set of hardware alternatives. In 1969, no ABM well-suited to the protection of MINUTEMAN had reached the stage of system development. Having decided to deploy *some* ABM, the Nixon Administration was forced to choose from a menu that lacked the appropriate entree.

This case focuses on the factors that determined the array of ABM options available in 1969. Leaving aside the merits of the deployment decision, the case attempts to explain why no "hard-site" ABM had reached advanced development while ABM components designed for other missions were nearing completion.

Four parts of the story deserve special scrutiny: (a) development of NIKE-ZEUS and the decision not to deploy it; (b) choice of the particular hardware for NIKE-ZEUS's follow-on, NIKE-X; (c) the 1967 decision to deploy a modified NIKE-X, SENTINEL; and (d) the 1969 SAFEGUARD decision.

To make what follows slightly less arcane, a few words on ABM in general are in order.[1] Basically, an ABM may protect two kinds of targets, people and ICBM's (and other hardened military installations, such as the National Command Authority). In turn, two kinds of missile attacks may threaten these targets: a determined, well-designed strike (which the Soviet Union and the U.S. alone can currently mount); and an unsophisticated strike (which Britain, France, and soon China can mount or which might result from the accidental launch of a few U.S. or Soviet missiles). Taking the U.S. perspective, and recognizing that an unsophisticated attack would not threaten our ICBM force, U.S. ABM may be charged with three potential missions: (1) defending U.S. population against a massive Soviet

*The author is grateful for helpful comments on earlier drafts of this case and summary analysis to the following people: Graham T. Allison, Harold Brown, Richard L. Garwin, Morton H. Halperin, Charles M. Herzfeld, Arnold Kanter, Spurgeon Keeny, Laurence E. Lynn, Jr., Jack P. Ruina, and Herbert York.

[1]The reader familiar with the subject may skip to Part I (p. 138). The brief sketch here necessarily oversimplifies. For more complete accounts see Abram Chayes and Jerome B. Wiesner, eds., *ABM: An Evaluation of the Decision to Deploy an Antiballistic Missile System* (New York: Harper & Row, 1969) and Johan J. Holst and William Scheider, Jr., eds., *Why ABM? Policy Issues in the Missile Defense Controversy* (New York: Pergamon Press, 1969), especially Charles M. Herzfeld, "Missile Defense—Can it Work?"

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strike; (2) defending U.S. population against a primitive Chinese strike or an accidental attack by the Soviet Union; (3) defending U.S. ICBM's against a massive Soviet strike. ABM systems designed for any of these three missions must all have the same basic components to do the same things: interceptors to destroy the incoming warhead; radars to detect ("acquire") and track the incoming warhead, and to track the interceptor; and computers to coordinate acquisition and tracking of the incoming warhead, firing of the interceptor, and tracking of the interceptor so that the interceptor's warhead will detonate within lethal radius of the incoming warhead.

Whatever the ABM's mission, it must perform the difficult task of "hitting a bullet with a bullet." Intercepting an enemy warhead travelling at four miles per second with an interceptor travelling at one to two miles per second alone poses extremely complex, though not insoluble, technical problems. Their solution, however, is only the beginning of an effective ABM design. Each ABM mission requires additional, somewhat differing capabilities.

- *Defending population against a full-scale Soviet attack presents several difficulties.* First, and most important, is the essential vulnerability of the target. Population, buildings, and industry can be destroyed relatively easily by very few nuclear warheads. A single, or a few, leaks in the ABM umbrella and the city being protected is wet, i.e., dead. While a serious shelter program can provide some protection for the people the major difficulty with population defense is the need for it to be nearly 100% effective for each population center. This difficulty is exacerbated by a second. The attacker may attempt to saturate the ABM defense of any particular city or area by sending in more warheads than the ABM can destroy. Hence the local ABM must command at least as many interceptors as the attacker devotes warheads to the particular area the local ABM protects. And it must have the radar and data processing capability to destroy a large number of warheads arriving simultaneously. (An ABM's ability to cope with saturation is called its "traffic handling capability.") Third, the attacker may attempt to saturate or exhaust the ABM with decoys—unarmed materials released from the ICBM booster along with the deadly warheads. To counter this tactic (short of destroying all the decoys), the ABM's interceptor must have sufficiently high acceleration to reach its target after waiting to fire long enough for the entering objects to enter the atmosphere where the decoys are slowed up and thus become identifiable. Waiting this long necessarily reduces the area the ABM can protect to a relatively small "point" around the ABM site, only a few miles in radius, and raises the risk of damage from nuclear fallout.
- *Defending population against a Chinese attack or accidental launch makes fewer demands.* First, since such an attack is unlikely to saturate the ABM with numbers of warheads, the system requires less traffic handling capability. Second, if the strike does not include numerous decoys, intercept may take place above the atmosphere.[2] This requires longer range radars and interceptors, but allows the system to protect a much larger space around the ABM.
- *Defending U.S. ICBM's against a massive Soviet strike implies still different requirements.* Like the massive attack against population, the strike against hardened ICBM's may threaten to saturate a system defending many ICBM's. So this ABM too must have the numbers of interceptors and the radar and computer capacity to give it good traffic handling capability. Such a strike also poses the decoy discrimination problem. The nature of protecting ICBM's, however, eases this difficulty. Since the ICBM's sit in hardened silos, they can tolerate nearby explosions. Therefore, intercept can take place at very low altitudes, giving the ABM maximum time to sort out decoys as they travel through the atmosphere. And unlike an ABM charged with protecting people, an ABM protecting ICBM's need not be 100 percent leakproof to fulfill its mission. Ideally, the system's ground components (radars, computers) will be hardened as well, lest a single offensive warhead knock out the entire complex.

An ABM designed to intercept attacking missiles below the atmosphere, and which therefore defends a relatively small area, is called a "point defense." As just described, systems to defend the U.S. population against an all-out Soviet attack and systems to defend U.S. ICBM's against a full-scale Soviet strike are both point defenses. The less demanding of the two, defense of ICBM's, also takes the more specific name "hard-site defense." An ABM designed to intercept attacking missiles above the atmosphere, and which can therefore defend a larger area, is called an "area defense."

I. OVERVIEW

A. NIKE-ZEUS

Tracing the origins of the family of related hardware labeled ABM in 1969 raises a question common to any geneological exercise: how far back

[2]Whether or not a Chinese launch would include decoys is problematic.

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should the inquiry extend? In the case of ABM, we must go back at least to 1945. That year the Army gave birth to Project NIKE by contracting with Bell Telephone Labs (BTL) and Western Electric. NIKE's mission called for defense of U.S. population and military forces against air attack, to be accomplished with surface-to-air missile systems—networks of radar, interceptors, and computers that would identify an incoming aircraft, track it, and fire an interceptor whose warhead would detonate within lethal radius. In the decade following the original contract award, BTL successfully developed two SAM systems, NIKE-AJAX and NIKE-HERCULES. The Army deployed both. Each defended against attacks by conventional aircraft. In 1953, as the prospect of a Soviet missile force grew likely, the Army Rocket and Guided Missile Agency asked BTL to examine the feasibility of defense against ICBM's. By 1956 BTL had concluded that appropriate modifications to NIKE-HERCULES—improved interceptor thrust, increased radar range, and higher speed data processing—would indeed make ABM feasible. The Army responded favorably. Thus the first ABM design was conceived as a follow-on to systems already deployed by the Army.

Within the Army, NIKE-ZEUS quickly gathered momentum. In 1957 the Ordnance Technical Committee, Army Headquarters, established the NIKE-ZEUS Guided Missile Defense System Project. Development of actual hardware began. When Secretary of Defense McElroy gave the Army the green light for demonstrating ZEUS's operational capability in 1958, the Ordnance Technical Committee made ZEUS a fullscale development program. McElroy, however, stopped short of authorizing deployment. In response to Army production proposals, he argued: "We should not spend hundreds of millions on production of this weapon pending general confirmatory indications that we know what we are doing."[3]

After a ZEUS interceptor was test-launched in 1959, opposition from two quarters buttressed the Administration's skepticism. The Air Force had begun its own ABM research program "WIZARD" in the late 1940's. This less than whole-hearted effort continued sporadically through the following decade. When the Eisenhower Administration proposed to streamline ABM development in 1957, WIZARD's prospects dimmed: unlike NIKE-ZEUS, WIZARD promised no hardware to show for itself in the immediate future. To no one's surprise, DOD trimmed WIZARD's responsibilities to radar and data handling research in 1958. (Some have speculated that the Administration granted the Army sole responsibility for developing an operational ABM as a *quid pro quo* for giving the Air Force operational control of the Army-developed Jupiter IRBM.) Having lost its own ABM, the Air Force expressed little enthusiasm for the Army's system. Backed with Rand-style cost-effectiveness analysis, the Air Force argued that if the ABM's mission were population protection as the Army maintained, then offensive forces could do the job more cost-effectively by deterring nuclear attack. If its mission were protection of those forces, the Air Force was not inclined to accept any assertion about their vulnerability; but if they should become vulnerable, hardening, increased alert, or dispersal could better accomplish the objective.[4] Always persuaded that the offense can beat the defense, the Air Force began developing penetration aides to prove the point. A Rand study of 1957 generally supported the Air Force position. It recommended defense of SAC bases as ABM's primary mission and argued that WIZARD promised greater effectiveness than ZEUS.

Critical evaluations more directly threatening to ZEUS deployment came from the Directorate of Defense Research and Engineering (DDR&E) and its semi-autonomous sub-unit, the Advanced Research Projects Agency (ARPA). ARPA had been created in 1958 as a separate agency reporting directly to the Secretary of Defense. Partially a response to Sputnik, ARPA was a low-budget operation charged with performing research which the services handled poorly, especially "quick reaction" and long-range projects. Early assignments included all military and civilian space programs, and notably, ABM technology beyond the NIKE-ZEUS state of the art. ARPA conducted research. It did not develop actual hardware. As ARPA Director Jack Ruina explained in 1962:

> A general principle of ARPA's operation is to work in an area until feasibility has been established. Hardware development for these projects is the responsibility of the services upon assignment by the Secretary of Defense so that those projects can compete against other weapon system elements within the service or services most likely to use them.[5]

When the Defense Reorganization Act of 1958 created DDR&E, ARPA was placed under DDR&E's direction and supervision.[6] In addition, DDR&E

[3]U.S., Congress, House, Committee on Appropriations, *Hearings on Department of Defense Appropriations for 1959*, 85th Cong., 2nd Sess., April 29, 1958, p. 356.

[4]The Air Force did continue to propose its own esoteric ABM systems into the mid-1960's, but they did not proceed very far.

[5]U.S., Congress, House, Subcommittee on Department of Defense Appropriations, Committee on Appropriations, *Department of Defense Appropriations for 1963*, 88th Cong., 2nd Sess., 1962, Part 5, p. 155.

[6]DDR&E never completely absorbed ARPA, however. The Directorship of ARPA retained statutory standing, even after the Director of ARPA became a deputy in DDR&E. While ARPA felt that its functions included support of DDR&E, many senior people in ARPA also felt that they had an independent charter from the Secretary of Defense, and indeed a national responsibility for ABM, nuclear test detection, and counterinsurgency R&D.

was supposed to supervise—but not immediately direct—all other Defense Department R&D, including that done by the services. DDR&E and ARPA also briefed and advised the Secretary of Defense on major weapons decisions. Indeed, DDR&E/ARPA veterans recall this advisory role as their most important task.

From the beginning, the scientists and engineers who manned DDR&E and ARPA questioned the basic feasibility of NIKE-ZEUS. First, they noted the difficulties currently inherent in defending populations. Because of limited interceptor range and acceleration, intercept would necessarily take place close to the interceptor launch site. Each system could protect only a very small area, a "point," around the ABM. A separate system would be needed for each such locus—say, a city—to be protected. Either the entire network would be very costly, or some cities would go unprotected. Furthermore, an attacker could defeat the system by aiming the ICBM just outside the protected radius so that fallout would drift in (the "upwind tactic") —requiring in turn an extensive system of fallout shelters. Second, they argued that the system's slow, mechanically steered radars made it vulnerable to saturation. Third, they noted that the ZEUS interceptors' low acceleration forced the system to fire its interceptors before incoming targets had penetrated the atmosphere very far, rendering the system unable to effectively discriminate decoys. As Herbert York, Director of Defense Research and Engineering, somewhat cautiously concluded:

> [NIKE-ZEUS's] objectives are either of two extreme types with possibly some combination. They can be used to defend the deterrent or they can be used to defend population or, of course they can be used in some combination. . . . [I]n the judgment of many people, [there are] better ways to do either of those than ZEUS. For protecting the deterrent in the short term you use hardening and in the long term you use mobility or you use air alert or you use the ground alert with effective warning and so on. For protecting the population many people think that [fallout] shelters are on a dollar basis more effective than ZEUS.[7]

The President's Science Advisory Committee reached similar conclusions. These arguments fueled President Eisenhower's own skepticism. When the Army proposed a $13 billion+ deployment plan to begin with the fiscal year 1961 budget, the President rejected the request. With a lone dissent from the Army Chief of Staff, the JCS concurred. The Army awaited a new Administration whose campaign rhetoric on the missile gap seemed to promise a more receptive audience.

Army optimism on this score was to prove ill-founded. Secretary of Defense Robert McNamara leaned heavily on York and ARPA Director Jack Ruina for ABM advice. During the quick review of defense issues ordered by President Kennedy in the early months of his Administration, York and Ruina assessed NIKE-ZEUS for McNamara. They concluded that ZEUS's inability to protect large areas in light of feasible penetration aid technology made it too costly. And they questioned ZEUS's effectiveness against sophisticated threats because it could be easily saturated. Despite their overall skepticism, however, they suggested that phased array radar could help solve this problem by tracking many warheads at once. (Phased array radars scan the sky electronically, unlike radars whose entire antennae must be rotated mechanically—and slowly.) ARPA itself had done enough work on phased array radar to make its imminent application feasible. At DDR&E's request, the Army began developing a ZEUS-oriented phased array radar in June, 1961.

B. NIKE-X and Other Options

In September, 1961, new Director of Defense Research and Engineering, Harold Brown, instituted a second ZEUS study under the direction of Ruina. Once again Ruina catalogued NIKE-ZEUS's deficiencies. He argued that a preferable ABM would include both phased array radar and a higher acceleration interceptor. Impressed with the critique, McNamara decided against ZEUS deployment, instead continuing R&D under the ZEUS program to serve as a testbed for more advanced components. Looking back on that decision, McNamara later recalled: "I am myself certain that had we gone ahead with NIKE-ZEUS in 1961 or 1962, it would have been an incorrect decision. We would have had a system that was obsolete before it was actually deployed." [8]

Though the Army balked at this setback, the development of new technology proceeded apace. Phased array radar advanced briskly. By August, 1962, the Army Ordnance Missile Command was awaiting authorization to issue requests for proposals (RFP's) for the high acceleration interceptor, now called SPRINT. Within OSD, the whole ABM issue came under intensive review. ARPA and the Institute for Defense Analyses (IDA) conducted a major study of ABM options called Intercept X. Their analysis concluded that while the NIKE-

[7] U.S., Congress, House, Subcommittee on Department of Defense Appropriations, Committee on Appropriations, *Department of Defense Appropriations for 1961*, 86th Cong., 2nd Sess., 1960, Part 6.

[8] Robert S. McNamara, interview, "Defense Fantasy Comes True," *Life*, September 29, 1967.

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ZEUS system could not cost-effectively defend the U.S. population against a heavy attack, a system combining a modified, long-range ZEUS interceptor, the short-range high-acceleration SPRINT, and phased array radar might be able to do so. This concept became the basis for DDR&E's preferred system. In September, 1962, Ruina briefed PSAC on the package, which he dubbed NIKE-X.[9] The new system would consist of SPRINT, phased array radars to handle target acquisition and tracking, and hardened ground components.[10] Jayne recounts the events that followed:

> In October, PSAC issued a report in support of the DDR&E position. This recommendation was forwarded to Secretary McNamara in early November. Dr. Brown formally submitted the Ruina analysis to McNamara at this time also. A memo on the subject, written by Ruina, was forwarded through Brown and McNamara to President Kennedy. The President was therefore the recipient of a unanimous recommendation from his civilian technical advisors: ARPA, DDR&E, PSAC, and McNamara himself sought full development of NIKE-X and rejection of NIKE-ZEUS deployment. Kennedy accepted his advisors' recommendations, announcing in a December 17 television speech that he would not deploy NIKE-ZEUS. In January, the President directed the Army to drop its plans for ZEUS production and concentrate on the NIKE-X technology "at highest priority." [11]

BTL let SPRINT system study contracts to North American, Lockheed, Douglas, and Martin in late 1962. Early in 1963, Martin received the SPRINT program contract.

At this point, the main effort was still focussed on development of an ABM that could defend the U.S. population against an allout Soviet attack. Certainly the Army was committed to deployment of such a system. DDR&E, ARPA, and PSAC structured their objections to ZEUS in terms of its inability to perform this mission. The refinements they proposed incorporating in NIKE-X pointed in the same direction. At the periphery, however, alternative ABM missions and alternative hardware began to receive consideration. In time this activity impacted on the main effort—without ever fully displacing it.

During 1961 and 1962, ARPA commissioned the Rand Corporation to examine scenarios other than all-out attack and ABM options other than full defense against all-out attack. These studies suggested the possibility of defense against thin, unsophisticated strikes. The notion intrigued Charles Herzfeld at ARPA. In 1963 [12] ARPA let study contracts to Douglas, Raytheon, RCA, and Hughes to further explore ways of building a variety of systems with other missions, in particular defense against unsophisticated threats. Douglas analysts, noting the limited role of Douglas's ZEUS interceptor in NIKE-X, had already considered proposing both use of an extended-range ZEUS in NIKE-X and creation of a thin ZEUS-only defense. The ARPA assignment provided Douglas the chance to incorporate these ideas in its findings. According to Jayne:

> The Douglas "small defense" study postulated a number of inexpensive ($1 to $5 billion) ABM configurations, some of which utilized small radars originally designed for anti-aircraft defense. Not only NIKE-ZEUS and SPRINT, but also NIKE-HERCULES, HAWK, and TALOS anti-aircraft missiles were suggested for use as interceptors.[13]

Herzfeld briefed McNamara on the results of these studies in 1963. The Defense Secretary thereafter followed the thin defense idea with interest.

About the same time, with the help of DDR&E and other agencies, ARPA conducted a study called Pen X which explored the penetration of ABM defenses. As a result of Pen X and other work, ARPA and DDR&E began to revise some old assumptions: (1) decoying now appeared tougher to do than previously estimated (and especially difficult for China); (2) advances in warhead design now made possible intercept above the atmosphere; (3) the range of the ZEUS interceptor could be increased sufficiently to make possible interception above the atmosphere. Based on these considerations and on the thin defense studies, DDR&E and ARPA concluded that an area defense built around an extend-

[9]According to Alain Enthoven: "A part of the Army's strategy for asserting its right to the ABM defense mission was to give all its defensive missile systems the same or similar names. Thus, its surface-to-air missiles were called NIKE-AJAX and NIKE-HERCULES. The Army wanted to call the new ABM system NIKE-ZEUS to stress the continuity with the existing program. The Administration, wanting a new name to distinguish the new weapon system, asked the Army to come up with a new name, and used 'NIKE-X' until the Army did so." The Army then proposed calling the system NIKE-PHOENIX, but the Navy already had an air-to-air missile by that name. The Army retracted its suggestion and NIKE-X stuck. John Newhouse completes the story: "Ironically, it was the dovish wife of one official—a woman strongly opposed to the war in Vietnam, ABM's, and most things military—who hit upon the name SENTINEL at a dinner party in Washington where the problem was being aired conversationally." This inspiration did not occur until 1967, so NIKE-X remained the system's name for five years. (Indeed "NIKE-X" underwent modifications throughout the period. "SENTINEL" applied only to the particular NIKE-X configuration authorized for deployment in 1967.)

[10]One participant recalls that an extended-range interceptor was to be included in the package. Others believe this came later, as described below.

[11]Edward Randolph Jayne II, "The ABM Debate: Strategic Defense and National Security," (Ph.D. dissertation, Massachusetts Institute of Technology, 1969) pp. 176–177.

[12]One participant places the date in 1964.

[13]Jayne, *op. cit.*, p. 255.

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ed-range ZEUS interceptor could provide significant defense against Chinese or other unsophisticated threats that might evolve in the 1970's. They also confirmed that even against a sophisticated all-out attack involving penetration aids this same hardware could add a useful "second tier" to NIKE-X. The area defense component could protect locations left unguarded by SPRINT batteries and filter out some of the RV's aimed at SPRINT-defended points. As one observer has put it, "incoming objects would be attacked twice, once above the atmosphere and a second time as they (those that survived) entered the atmosphere." [14]

Area defense attracted McNamara's Systems Analysis office as well. In formulating its recommendations for the 1965 Draft Presidential Memorandum in the summer of 1964, Systems Analysis included the suggestion that the U.S. seriously consider deployment of a small ABM to defend against unsophisticated threats. (This approach took the name "thin" area defense.)

When China exploded its first nuclear device in 1964, the analysts' hypothetical unsophisticated threat acquired punch. The case for their area defense became more persuasive. In May, 1965, the Army let a design contract to Western Electric, which in turn contracted with Douglas, to develop the DM15X2 advanced ZEUS interceptor, soon designated SPARTAN.

Still farther from center stage was another option. In addition to the main NIKE-X project and its area defense offshoot, the ABM effort included some attention to defense of the ICBM force. Apparently this attention stemmed partly from arms control reservations about other ABM systems. According to a trade publication of December, 1962, unnamed

> leaders in the Administration . . . feel that past U.S. weapon system developments have actually aggravated the arms race and contributed to the instability of the deterrent concept. Past U.S. actions, they claim, have actually forced the Soviet Union into weapons developments they would not have otherwise undertaken. Therefore, several potentially unstabilizing weapons will not be developed and deployed because of the conviction that such action will be met by similar restraint in the Soviet Union. A population defense almost certainly falls into this category . . . What must be avoided, they assert, is the development of an extremely expensive system, which, with minimum effort and resources, can be countered by the enemy.[15]

At the same time, these officials concluded that "if a decision is ever made to develop a ballistic missile defense system, the most likely candidate is . . . [hard-site].[16] Although Soviet ICBM's posed no imminent threat to MINUTEMAN, the hard-site option had its attractions. It was thought unlikely to provoke a reaction because it would not threaten the Soviet Union's retaliatory capability. Also, such a system could be simple and cheap, would not require perfect success (hardened silos would be immune to near misses), would be unaffected by fallout, and could permit very low altitude detonation of the defensive warhead (improving decoy discrimination).

The task of creating a hard-site option fell to ARPA's Project DEFENDER. Of the $115 million budgeted in fiscal year 1963 for Project DEFENDER, an appreciable portion was tagged for exploratory development of the hard-site concept. In 1963 ARPA awarded a three-year exploratory development contract to Boeing to design a very high acceleration interceptor, "HIBEX" (for high-g boost experiments). In addition, ARPA conducted several radar technology programs such as HAPDAR, with the objective of creating cheap array radars for hard-site defense.

ARPA could not itself create a full-fledged hard-site system. DEFENDER and all of ARPA were at that time limited to research and exploratory development. As Herzfeld recalls:

> We never attempted to develop a competing system beyond assembling the pieces of technology required and doing the necessary systems calculations to show how the pieces could be fit together. HIBEX was a technology program and it would have taken several years of advanced and engineering development to create a viable interceptor weapon.[17]

As for the radar,

> I made an attempt to get money and permission to build a prototype hard-point defense-phased array radar. The cost would have been approximately 25 million and the time would have been two years. This request was denied with the rationale that we should stick to our business and the top management would see to it that the Army built the radar.[18]

ARPA went so far as costing out a HIBEX-based hard-site system, including several radar options. The initiative to go further rested with the Army.

The Army's interest, however, lay elsewhere: specifically in deploying NIKE. With DDR&E's embrace of thin area defense, the Army's chances had improved dramatically. Divergence of objectives

[14] Alain C. Enthoven and K. Wayne Smith, *How Much Is Enough? Shaping the Defense Program, 1961–1969* (New York: Harper & Row, 1971).

[15] James Trainor, "DOD Says AICBM is Feasible," *Missiles and Rockets,* December 24, 1962.

[16] *Ibid.*

[17] Communication with the author.

[18] *Ibid.*

did not matter. For DDR&E, defense against unsophisticated threats was the primary justification for deployment of a NIKE-X configuration, providing thin area defense for the entire country with a modest SPRINT tier tacked on. For the Army, the very same configuration meant the first step to the "thick" (large-scale) SPRINT-based system it sought. Attention to hard-site would have constituted an unwanted diversion.

C. The Sentinel Decision [19]

Secretary of Defense McNamara chafed at ABM's widening support. At McNamara's direction, Systems Analysis factored ABM into their studies of the capabilities required for assured destruction. As McNamara's Assistant Secretary of Defense for Systems Analysis, Alain Enthoven, recalls:

> analyses done by the Systems Analysis office indicated that if the Soviets chose to respond to U.S. deployment of the NIKE-X—and they could do so in several different ways—they could offset the gains to the United States of such a deployment and could drive the probable number of U.S. dead after a nuclear exchange back up to the level where it would be *without* U.S. ABM deployment . . . It was the virtual certainty that the Soviets would attempt to maintain their deterrence—even more than the continuing technical problems—which cast such grave doubts on the advisability of deploying the NIKE-X system for the protection of U.S. cities against Soviet missile attacks.[20]

Convinced that ABM would only spur a dangerous and costly arms race with the Soviet Union, McNamara managed until 1966 to postpone deployment each year. He would annually cite the technical objections officials in DDR&E and ARPA made to deployment and then ask for more R&D funding. While this tactic cost money—by 1967 the U.S. had spent more than $4 billion on ABM research and development—it seemed to work. Gradually, however, McNamara's technical advisors withdrew their handy technical objections. Brown had sounded the warning bell from DDR&E as early as 1964:

> I should say from the research and development point of view that NIKE X appears to be the best active ABM system, from the point of view of cost effectiveness, that we will be able to achieve over the next 10 years. We may never have one better, though conceivably we will. I do not think a decision not to deploy NIKE X can be made on the basis that something better will be coming along, which is one basis on which we were able to make the NIKE-ZEUS decision.[21]

McNamara found the arms race argument harder to make. Moreover that argument had less force against thin area defense and none at all against hard-site defense. Events further eroded McNamara's position. Satellite photos taken in 1965 and 1966 revealed that the Soviet Union was constructing an ABM system around Moscow. To McNamara's mind, the discovery might provide an argument for upgrading U.S. *offensive* forces but hardly for constructing an ABM of our own. Others disagreed. For whatever reasons—Soviet ABM, McNamara's diminishing popularity, DDR&E's increasing enthusiasm for ABM—Congress in 1966 appropriated an unasked-for $167.9 million for ABM procurement. McNamara was furious.

Though vowing to spend none of the procurement funds, McNamara must have realized that Congress, the Army, DDR&E, and most of the Pentagon could not be easily dissuaded. Only a firm commitment from President Johnson might halt the deployment momentum. McNamara sought allies to help him convince the President. In was what certainly an unusual, and perhaps a unique meeting of the "Military-Industrial Complex," McNamara arranged a private meeting with the principal officers of the industrial contractors and developers (Western Electric and BTL). " 'Don't deploy,' they said reluctantly, 'it's not ready.' McNamara regarded this self-denying recommendation as a historical act of industrial statesmanship." [22]

On December 6, President Johnson made his decision. At a meeting with the President which included the Joint Chiefs—unanimously urging a large, expandable defense of the U.S. population against a Soviet attack—McNamara struck a compromise. The Administration would ask Congress for $375 million for "possible" ABM deployment of an unspecified sort pending exploration of an arms control agreement with the Soviet Union. In January he arranged for the President and the Joint Chiefs to meet with all present and former Presidential Science Advisers and Directors of Defense Research and Engineering. James R. Killian, Jr., George B. Kistiakowsky, Jerome B. Wiesner, Donald F. Hornig, Herbert York, Harold Brown, and John S. Foster, Jr., attended. All agreed that the U.S. should not attempt to build an ABM to protect the U.S. population against a Soviet attack. The

[19] Morton H. Halperin, "The Decision to Deploy ABM: Bureaucratic and Domestic Politics in the Johnson Administration," *World Politics* (October, 1972), provides a detailed account.

[20] Enthoven and Smith, *op. cit.*, p. 187.

[21] U.S., Congress, House, Committee on Appropriations, Subcommittee on Defense Appropriations, *Department of Defense Appropriations for 1965*, 88th Cong., 2nd Sess., 1964, Part 5, p. 43.

[22] Henry L. Trewitt, *McNamara: His Ordeal in the Pentagon* (New York: Harper & Row, 1971), p. 127.

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majority rejected an anti-China area defense as well.[23]

The initiative to the Soviets failed. When Johnson and McNamara met Alexi Kosygin at Glassboro, New Jersey, in June 1967, they encountered a stone wall. Try as he might, McNamara could not get Kosygin to agree that ABM's were more than purely defensive weapons and entirely unobjectionable. Having staked all and lost, McNamara had to pay the price. ABM would be deployed. Still, McNamara sought the least provocative rationale possible, one that would clearly rule out later deployment of a large, anti-Soviet ABM. When consulted, Systems Analysis recommended defense of MINUTEMAN (SA's enthusiasm for the anti-China ABM had recently begun to fade). McNamara rejected this solution both because NIKE-X was a low confidence weapon in this role and because *any* system directed against the Soviet Union might enhance pressures to deploy a large, population-protecting ABM. Hence McNamara accepted the DDR&E solution: protection against China and accidental launches using thin area defense hardware, with some SPRINT-based hard-site capability tacked on.

In January, 1968, the Johnson Administration requested $1.2 billion to produce and deploy SENTINEL. DOD placed the eventual system cost at $5.5 billion. At this point, other actors began to outflank McNamara's determination to maintain the anti-China rationale. The Army controlled deployment and the Army still sought a full-scale anti-Soviet ABM. Indeed, in this effort, the Army had a powerful ally in the Chairman of the Senate Armed Services Committee, Richard Russell:

> QUESTION: "Senator Russell, this so-called 'thin' system is just a foot in the door to beginning construction on the full or heavy ABM system, isn't it?"
>
> ANSWER: "It's a base for a system throughout the whole nation. I didn't deceive anybody. When we brought it up, they tried to dress it up as being designed to protect us from China. But I stated very frankly on the floor of the Senate that I consider it the foundation of a complete system that would save at least eight million Americans against any atomic attack, however drastic." [24]

Given the Army's inclinations, minimizing SENTINEL's growth potential proved difficult. Since both Soviet and Chinese ICBM's would approach the U.S. through the same corridor over the North Pole, radars and interceptors poised to intercept Chinese ICBM's might equally be aimed at Soviet missiles. As Morton Halperin has observed, "in making precise decisions about where to locate radar and missile launching sites, the Army in fact chose sites close to cities, to permit the deployment of a large anti-Russian system," should the decision be made at a later date to do so.[25]

D. The SAFEGUARD Decision

When President Nixon confronted the ABM issue in 1969, the context had changed dramatically. Growing disenchantment with the Vietnam War put an end to uncritical Congressional and public attitudes toward military spending. The residents of cities near designated SENTINEL sites grew anxious and formed groups like "New England Citizens Committee on ABM" to air their opposition. Academic scientists opposed to ABM on arms control grounds added their voices. Even such dependable supporters of defense spending as Senator John Stennis and Representative Mendel Rivers publicly expressed misgivings. At the same time, National Intelligence Estimates revealed the Chinese threat considerably less imminent than previously feared. Soviet actions, however, were another story. Expanding their force of huge SS-9 ICBM's the Soviets began testing multiple warheads—for the first time raising the possibility of a threat to MINUTEMAN. And perhaps most important, the conditions that forced President Johnson to cancel SALT talks had dissipated, so arms control negotiations had become a real possibility.

Nixon moved quickly. On January 20, 1969, Nixon's Assistant for National Security Affairs, Henry Kissinger, issued NSSM 3 on Military Posture, putting the new national security apparatus to work on a complete reassessment of the U.S. military posture, nuclear and non-nuclear, scheduled for summer completion. Without waiting, however, Nixon made his first major defense decision: to deploy a revised ABM. Although some within the NSC staff argued that an ABM decision should await completion of NSSM 3, Nixon's political commitments, uncertainty about when SALT would begin, and escalating opposition to ABM moved the President to respond more rapidly than the elaborate, and untested, NSC machinery would allow.

On February 6, 1969, Secretary of Defense Melvin Laird announced a halt in SENTINEL deployment pending a month-long review of ABM issues and options outside the regular NSC system. Laurence E. Lynn, Jr., a Kissinger assistant, and Deputy Secretary of Defense David Packard worked together in supervising the exploration of ABM alter-

[23] According to one participant's account, McNamara alone spoke for "the present defense staff" while Brown and Foster sat silently—and at least in Foster's case, perhaps uncomfortably.

[24] *Atlanta* magazine, quoted in Ralph Lapp, *Arms Beyond Doubt* (New York: Cowles, 1970).

[25] Halperin, *op. cit.*, p. 90.

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natives. Kissinger, in turn, instructed OSD to explore the full range of ABM options. Secretary Laird and Peter Aldridge of Systems Analysis proceeded to design alternatives. (Kissinger and Lynn chose to exclude PSAC from the exercise.) By the time Nixon left for Europe in late February, they had presented him with four ABM options: (1) a thick city deployment; (2) a SENTINEL thinned to cover but 15 cities; (3) a modified, twelve-site SENTINEL deployment called plan 1–69, in which all sites would be moved away from cities—emphasizing the protection of MINUTEMAN but also providing thin area defense of population; (4) R&D only. Ordering continuing study, the President told his advisors to pay particular attention to the diplomatic consequences of each option. As part of the exercise, Lynn obtained Kissinger's permission to write a separate paper making the strongest case possible against ABM deployment. On March 7, Republican Senators Javits, Percy, and Cooper met with Kissinger to detail Congressional opposition to SENTINEL, including their own. A Presidential briefing book digested all this material. Packard personally briefed both the NSC and Nixon at least twice before March 14.

In the course of this process, Nixon and Kissinger became convinced that a defense of cities against a determined Soviet attack would entail vast expense and in the end fail to enhance security because of Soviet reactions. Plan 1–69 attracted Nixon, Kissinger, and Lynn: thin area defense seemed both feasible and worth doing, and although MINUTEMAN survivability had not yet become a major issue, they believed 1–69's limited MINUTEMAN defense would at least complicate the problems of Soviet attack at dollar exchange ratios favorable to the U.S. President Nixon chose this option on about March 8 or 9. Next, he considered what to do about deployment. The alternatives included: proceeding with deployment at all 12 sites; no immediate deployment pending further R&D; a Phase 1 deployment at two MINUTEMAN sites followed by Phase 2 expansion to the full 12 sites. The President chose the phased deployment plan.

On March 14, Nixon publicly announced his decision: to deploy a modified SENTINEL with primary emphasis on the defense of MINUTEMAN. (According to one participant, Nixon and Kissinger had thought mainly in terms of the area defense component of the announced option until very nearly the last minute. Only during the drafting of Nixon's speech did they become persuaded that emphasizing the defense of the deterrent made better sense politically, diplomatically, and strategically.) As argued above, SAFEGUARD's hardware capability did not justify emphasis on the MINUTEMAN defense role. The result should not be surprising: first, because when Nixon's aides advised him on ABM they were not thinking in terms of defending MINUTEMAN; second, because no amount of tinkering would give a SPRINT/SPARTAN-based system such a capability. Critics of ABM deployment were quick to catalog SAFEGUARD's deficiencies for the full scale defense of MINUTEMAN: SPRINT's acceleration was too slow, its radar and ground components, and especially, the number of SPRINT's and radars assigned to each site too small to resist a determined Soviet attack. Only during the ensuing debate, however, did such participants as Packard and Lynn begin to understand the arguments and become convinced. (Packard then wrote a memo to the President explaining these arguments.)

If Kissinger and Nixon had genuinely settled on a dedicated hard-site defense of MINUTEMAN, three possibilities in fact existed. But making any of them a reality would have required an enormous commitment, preferably *before* Nixon had even been elected President. The first, a true hard-site option, had withered on the vine. In 1967, ARPA Director Charles Herzfeld submitted a final report on HIBEX. Boeing, he testified, had done a "first-rate," "magnificent" job, successfully building an interceptor "somewhat smaller than SPRINT, and very much higher in performance." That program, however, produced not a complete weapon system, but as Herzfeld put it, "only a piece of technology." In 1969 it remained but a piece of technology. The second possibility, advanced by PSAC member Richard Garwin, consisted of adapting the Army antiaircraft missile HAWK to the hard-site role. The HAWK option would include batteries of the modified SAM's, which manned shifts could ready at unpredictable MINUTEMAN sites with a twenty minute warning time. Combined with HAWK radars (readily hardenable), the system could force the Soviets to expend two warheads on one MINUTEMAN silo. Yet a third option, outlined in a 1969 Garwin letter to Congressmen, envisaged a top of the silo defense. With a two minute intercept, decoys would pose no problem. And contractors were ready to build such a system. None of the three, however, prompted the requisite response to make them live options in March, 1969.

Implementation of the system Nixon and Kissinger did envisage lagged. Charged with deployment, DOD had never expressed much enthusiasm for thin area defense. To Laird, it posed political problems. Packard and DDR& E were cool because it did not interest them. The system posed some technical problems but no real challenge. The contractors probably did not want the system either. Reportedly, they threatened to withdraw from the contracts.

Unaware of the foot-dragging, Nixon, Kissinger, and Lynn assumed the Pentagon was proceeding

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with deployment. Then during a Defense Program Review Committee Meeting in the fall of 1969, Packard and Gardner Tucker (of Systems Analysis) conceded that little progress had been made. In testimony before the Armed Services Committees they had talked only about MINUTEMAN defense. They had made no starts on the Washington or Northeast sites. Somewhat taken aback, Kissinger demanded an explanation. Packard and Tucker responded by suggesting there were "problems" with thin area defense. Nothing much further was done, and the system was finally reoriented to MINUTEMAN defense alone.

II. ANALYSIS: IMPACT OF ORGANIZATIONAL ARRANGEMENTS ON U.S. DECISIONS AND ACTIONS

NIKE-ZEUS

A. What Interests/Considerations Were Introduced in the Policy Process?

DDR&E, ARPA, and PSAC, which consulted informally with each other, were the dominant players. They appreciated NIKE-ZEUS' technical deficiencies and on that basis argued against deployment. McNamara, comfortable with the terms of their argument which reinforced his own inclination, relied on this advice to fend off the deployment proposals of the Army, whose objectivity he doubted. In the decision to go ahead with the particular hardware modifications that constituted NIKE-X, DDR&E, ARPA, and PSAC interests again played a major role. Although these officials foresaw that the NIKE-X was unlikely to perform its assigned mission cost-effectively, as scientists they could be expected to favor continued R&D: to preserve options; to keep open the possibility that unforeseen breakthroughs might arise; and to better understand the problems of penetrating an ABM should the Soviet Union deploy a system of its own.

B. How Did Organizational Arrangements Affect the Information Available?

McNamara and Kennedy were relatively well-informed as to the inadequacies of NIKE-ZEUS. The high quality of information about ZEUS stemmed partly from the strong voice given PSAC. In addition, DDR&E and ARPA could afford to be vigorous critics of ZEUS because they had little involvement with the development of unambiguously deficient hardware. Information about the modifications proposed for NIKE-X was not bad, but for two reasons it may have been incomplete. First, organizational arrangements put DDR&E and ARPA in the position of advising Kennedy and McNamara about the merits of incorporating technical innovations for which DDR&E and ARPA were themselves partly responsible. The double advisor/developer role may have led these organizations to underemphasize the cost-ineffectiveness of a system based on hardware refinements whose adoption they were advocating. Second, although DDR&E, ARPA, and PSAC engaged in lively debate among themselves, they resolved their differences before advising Kennedy and McNamara. McNamara received a single package of recommendations, formulated by DDR&E and ARPA and endorsed by PSAC, rather than a set of competing proposals. If there were sharply conflicting considerations, this procedure was not well-calculated to reveal them.

C. How Did Organizational Arrangements Affect the Alternatives Considered?

Organizational interests had a major impact on the short list of alternatives served up. The Army presented NIKE-ZEUS because it was the ongoing system, whose approval would mean achievement of the Army's main goal, swift deployment. DDR&E and ARPA proposed NIKE-X because it promised to fix all the remediable defects in the Army's system. (When only defects that were not remediable remained, DDR&E and ARPA could be expected to advocate deployment.) No substantial segments of the Air Force or Navy wanted an ABM of their own, but neither opposed the Army system strongly enough to press for a "no-ABM" option. (The Air Force was not yet interested in ABM protection for its MINUTEMAN, least of all protection provided by the Army.) No "civil defense service" existed to press for development and deployment of fallout shelters.

D. What Impact Did Personnel Systems Have?

By DOD sop, a service project manager manages the development of weapons systems such as ABM. The Army personnel system created no incentives for the ZEUS project manager, for instance, to advocate modification or elimination of the requirement. The brief tenure and interest in promotion of project managers made them likely advocates of whatever was on the track. (Ditto Army Chiefs and R&D.) DDR&E and ARPA scientists and engineers were by professional inclination more oriented toward solving technical problems than carefully analyzing weapons in cost-effectiveness and strategic terms, much less entrepreneuring radical departures.

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NIKE-X and Other Options

A. What Interests/Considerations Were Introduced in the Policy Process?

With President Johnson as yet expressing little interest in the ABM issue, the preferences of McNamara and the Joint Chiefs dominated. McNamara opposed ABM nearly from the outset, both because he questioned its potential effectiveness and because he feared Soviet reaction and a spiraling arms race. However, powerful support in Congress and the services favored ABM too strongly for McNamara to pick a fight. (He was engaged in too many fights already.) So McNamara cast his deployment refusals in terms of NIKE-X's current technical deficiencies. Because he opposed ABM *per se* he had little interest in developing alternatives to NIKE-X, such as a dedicated hard-site defense, which would keep ABM alive and could broaden its support. The Joint Chiefs' enthusiasm for ABM evolved over time. While in 1959 only the Army Chief of Staff advocated ABM deployment, by 1963 only the Air Force Chief of Staff Curtis LeMay opposed it. And LeMay's dissent seems to have been prompted mainly by Chairman Maxwell Taylor's blackballing of SKYBOLT. The Chiefs began to see that McNamara's opposition to many service weapon systems called for a united front on their part. By supporting each other's programs, they prevented McNamara from pointing to "selfish service interests" and forced him to confront the "weight of military opinion." By 1965 (the Army chose not to press for ABM in 1964), the JCS unanimously supported NIKE-X deployment.

B. How Did Organizational Arrangements Affect the Information Available?

Because the Army and key segments of Congress strongly favored ABM, this was an issue on which McNamara *had* to be well-informed to successfully forestall deployment. Fortunately, the organizations on whom he relied were relatively well-equipped to provide the information he needed. Systems Analysis' role called for integrating ABM into the broader issue of strategic force planning and interaction. This was an area in which SA had become relatively adept. DDR&E and ARPA briefed McNamara regularly on the technical progress of the various hardware developments with attention to cost-effectiveness considerations as well. Finally, PSAC retained a relatively strong voice during this period, serving to keep the in-house advice honest.

C. How Did Organizational Arrangements Affect the Alternatives Considered?

During this period ARPA became largely responsible for the creation of technologies which could have provided the basis of two distinct options unavailable at the time of the decision to cancel NIKE-ZEUS and proceed with NIKE-X: hard-site defense and thin area defense. As it happened, hard-site never proceeded further than exploratory development and thin area defense was absorbed into the Army's ongoing system. Organizational arrangements largely account for this outcome. ARPA on its own shepherded hard-site technology to the point of application, but ARPA's role did not include advanced development of complete systems. Services performed that function, and no service wanted to develop a hard-site ABM. Perhaps McNamara could have intervened to force a service to undertake development, but McNamara wanted to avoid ABM deployment completely, not create yet another constituency in its favor. As with hard-site, DDR&E and ARPA provided the initial impetus for thin area defense. As with hard-site, thin area defense appeared to DDR&E and ARPA to be an ABM mission that might actually be performed successfully. As with hard-site, they specified the appropriate technology—in this instance a long-range interceptor. In contrast to hard-site, however, the Army was not reluctant to undertake development. In the first place, the proposed interceptor turned out to be an upgraded, long-range version of the Army's old NIKE-ZEUS interceptor. The Army had always wanted to retain ZEUS as part of NIKE-X. Here was the opportunity. Second, in contrast to hard-site, thin area defense was not necessarily a competitor to the thick system the Army desired. Indeed, it could provide a foot in the door for a system that could later be thickened. Best of all, DDR&E and ARPA liked area defense, so they could be counted on to support the Army's deployment requests, appropriately muted. Thus what were potentially three separate options—hard-site, thick population defense, thin population defense—became essentially one option with some variations.

The SENTINEL Decision

A. What Interests/Considerations Were Introduced in the Policy Process?

Perhaps the most important consideration was Lyndon Johnson's determination not to find himself on the wrong side of an "ABM gap" in the coming election. McNamara could not easily argue to the contrary. Having rested the case for non-deployment on his technical advisors' estimates

that ABM wasn't ready, their assertions that it *was* ready forced McNamara into a box. Congress, DDR&E, and the Army supported by the other services formed a coalition too tough to beat. So McNamara had to agree to *some* ABM, and his problem became finding this least provocative rationale.

B. How Did Organizational Arrangements Affect the Information Available

Two kinds of information influenced the SENTINEL decision. Information about various hardware components appears to have been adequate, as at previous junctures. Information about Soviet Galosh and Tallinn ABM—nearly irrelevant to U.S. ABM in strategic terms, but crucial in building political pressures for deployment—rates less well. In part, overestimates of Soviet ABM capabilities reflect the difficulties inherent in assessing current deployments from satellite reconnaissance, much less predicting future deployments. But, in part, they reflect the fact that intelligence organizations often had a stake in the results of the news they reported. According to former Systems Analysis head Ivan Selin, the National Intelligence Estimates

> always contained disagreement on Tallinn. The Navy said it was just an anti-aircraft system. The Army said it had ABM potential. The Air Force waffled—didn't want to suggest that its missiles couldn't penetrate. [The Strategic Air Command later took the darkest possible view of Tallinn.] The CIA, the only disinterested agency, always took a negative view of Tallinn's ABM potential, while the DIA [a JCS-oriented organization] tended, by and large, to go along with the Army and Air Force views. All points of view were predictable and reflected the interests of the agencies involved.[26]

C. How Did Organizational Arrangements Affect the Alternatives Considered?

The alternatives available to McNamara in 1969 were those generated through the organizational arrangements that predominated during the previous five years: no ready hard-site option (at least none with an organizational sponsor that could develop and deploy it), only the SPARTAN/SPRINT area/point defense hybrid. The Army had captured ABM development. As always, the Army favored immediate deployment of a thick anti-Soviet system.[27] While McNamara's principal OSD advisors —DDR&E and Systems Analysis—opposed such a deployment, they found a thin area defense directed against the Chinese relatively attractive.[28] Hence the single alternative: a hybrid that DDR&E designed and justified principally as a thin area defense and that the Army could approve because it provided the nucleus of a larger system.

D. How Did Organizational Arrangements Affect Implementation?

Once a deployment decision has been made, the details of deployment are left to the service managing deployment. Preoccupied with Vietnam and about to leave office, McNamara lacked the time, inclination, and ability to carefully control the Army's actions. As Morton Halperin has concluded, "Although McNamara could and did attempt to monitor how the Army would deploy the system, he was unable or unwilling to direct that the system be designed so as to minimize the possibility of growth." Left to its own devices, the Army began deploying SENTINEL so as to provide maximum growth potential.

E. What Impact Did Congress and External Groups Have?

Congress strongly reinforced pressures on the Administration to deploy an ABM. The contractors reinforced McNamara's skepticism but had no impact on the deployment decision. The former Presidential Science Advisors and DDR&E's helped McNamara head off a JCS move to make SENTINEL the intended first step to large system. Strong opposition to ABM in the academic community may have strengthened McNamara's hand.

The SAFEGUARD Decision

A. What Interests/Considerations Were Introduced in the Policy Process?

The overriding consideration for all players was growing public and Congressional opposition to ABM. This consideration forced the Administration to act quickly and thus helped restrict its exploration of the options. As far as the decision to go ahead was concerned, President Nixon dominated. In the details of the SAFEGUARD program and its rationale, Kissinger's influence appears to have counted most. Countervailing considerations moved Nixon. On the one hand, the Soviet threat to MINUTEMAN survivability, the latent Chinese potential, the need for a bargaining chip to induce the Soviet Union to enter arms limitation talks, and

[26]Quoted in Newhouse, *op. cit.*, pp. 74–75.

[27]There is some risk of overstating the point. In the 1950's and early 1960's, the Army wanted ABM badly to reclaim some of its dwindling budget. As McNamara's flexible response and the Vietnam War gave the Army more dollars and programs, its all-out enthusiasm for ABM began to cool.

[28]Though Systems Analysis would have preferred using SPARTAN/SPRINT for the defense of MINUTEMAN.

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campaign promises, all pushed Nixon toward deploying *some* ABM. Some speculation holds that Nixon also saw ABM as essential to garner the support of his own Joint Chiefs of Staff for SALT. In addition, the mounting opposition forced him to move quickly. On the other hand, the President's desire to refrain from provoking the Soviets into offsetting (or worse) counterreactions inclined him toward non-provocative system with minimal growth potential. Defense of the deterrent and thin area defense became logical candidates.

B. How Did Organizational Arrangements Affect the Information Available?

Nixon got his information through the *ad hoc* channels set up especially for ABM: NSC briefings from Packard and Kissinger; papers and memos from Lynn. The President received opposing views, but opposing views were filtered and interpreted by Packard, Kissinger, and Lynn—men lacking significant familiarity with ABM. The Administration had at its disposal a knowledgeable source of ABM advice in the Office of Science and Technology and the President's Science Advisory Committee, but OST/PSAC was dealt out of the issue. These arrangements account for the extraordinary failure of Kissinger, Lynn, Packard, and Nixon to understand that the hardware they selected was unsuitable for the mission they were proposing.

C. How Did Organizational Arrangements Affect the Alternatives Considered?

The basic hardware options had not changed perceptibly since the SENTINEL decision, and so the discussion under the SENTINEL Decision, C in this section applies. One additional point: the Army reluctance to embark on hard-site related directly to its efforts to keep the Air Force neutral, or better a supporter of ABM. Sometime during the period the Army agreed not to push hard-site in exchange for neutrality/support. The Army's reluctance to embrace Garwin's alternatives reflect this agreement as well (and in the case of the single silo defense, the Army's fear that if a system could fit inside a MINUTEMAN fence it would become Air Force property).

D. How Did Organizational Arrangements Affect Implementation?

As noted in the text, DOD and the contractors stymied Kissinger's and Nixon's plans for thin area defense because it did not serve the interests of the organizations involved to do so. Especially in the case of implementation, high level officials have no way to "reach inside" the appropriate organizations and force them to do as instructed.

E. What Impact Did Congress and External Groups Have?

Mounting opposition in Congress forced Nixon to propose an ABM deployment quickly if he actually wanted it deployed. Groups protesting ABM certainly pushed the Administration into reaching a quick deployment decision. Had their protest been less shrill, the views of outside scientists might have affected the nature of the ABM deployment as well. But Nixon, Kissinger, Lynn, did not like and did not trust their opposition, considering them too ideological and undifferentiated to be taken very seriously on specifics.

III. EVALUATION OF U.S. GOVERNMENT PERFORMANCE

A. *A Reasoned Conception of U.S. Objectives Was Present:* general strategic objectives: excellent; ABM's objectives: poor.

Especially under the stewardship of Robert McNamara, U.S. strategic nuclear objectives were perhaps the most thoroughly studied and coherently articulated of U.S. foreign policy objectives. Within that framework, however, ABM's role in U.S. strategy eluded precise and consistent articulation.

B. *The Best Obtainable Information Relevant to the Decision Was Made Available:* fair-to-poor.

With a notable exception (SAFEGUARD's effectiveness in defending the deterrent), information about ongoing systems appears to have been generally satisfactory. Information about alternative systems, however, was consistently inadequate. Indeed after DDR&E's explorations of numerous esoteric systems in the early 1960's, no agency seems to have addressed itself seriously to this question.

C. *The Implications Flowing from the Information Were Effectively Canvassed:* fair-to-poor.

This category is difficult to generalize about. Some specific examples: In the mid-1960's, solid information that point defense of the population would be futile absent a serious shelter program, did not force either a decision to proceed with shelters or a decision to abandon developing an ABM for point defense of populations. Later in the decade, information from Garwin and others concerning the feasibility of hard-site defense prompted no serious effort to examine the technology. On the other hand analysis suggesting the futility of a large anti-Soviet ABM did significantly affect the SENTINEL decision.

D. *A Full Range of Alternatives Was Considered:* poor.

The major point of the case: the range of live

options never extended beyond a very short list. And that list never included a dedicated hard-site defense (much less, multiple hard-site options).

E. *A Full Range of Relevant Considerations Was Applied:* fair-to-poor.

Institutional considerations dominated the generation of alternatives and political considerations dominated the SENTINEL and SAFEGUARD choices about deployment. Hard-headed application of strategic and diplomatic considerations generally took a backseat.

F. *All Appropriate Participants Were Consulted:* overall, poor.

Both the Johnson and Nixon Administrations made an effort to consult—if not always to listen to—a broad range of participants. The Nixon Administration chose to exclude the advice of the scientific community, whom the Nixon advisors suspected of uncritical opposition to ABM on ideological grounds.

G. *The Decision Was Taken at the Lowest Level Possible:* poor.

Deployment decisions were appropriately made at the Presidential level. The R&D agenda, however, was shaped at excessively low levels and unduly constrained high-level choice.

H. *The Decision Was Clearly Communicated to Those Responsible:* excellent.

No apparent lags between decisions and communication.

I. *The Actions of the Responsible Officials Were Monitored:* poor.

Both McNamara (following the SENTINEL decision) and Nixon/Kissinger (following the SAFEGUARD decision) failed to adequately monitor implementation. The first omissions provided the Army the opportunity to site SENTINEL for maximum growth potential. The second allowed opponents of thin area defense in DOD to stall deployment long enough to substantially reorient the system.

J. *The Resources Committed to the Action Were Commensurate with the Task:* good.

Although resources were not always optimally used (especially for analysis), resources expended were in rough accordance with the size of the task.

K. *The Decision Process Was as Public as Was Consistent with Its Nature:* overall, good.

While the early decisions were taken with perhaps undue secrecy, the SENTINEL and SAFEGUARD decisions were marked by a vigorous public debate.

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CHAPTER 6

Trident*

Based on a Case by Barry E. Carter and John D. Steinbruner

In February, 1972, the Nixon Administration announced its decision to accelerate the TRIDENT ballistic missile submarine program. The planned operational date for the first TRIDENT submarine was advanced from sometime in the 1980's to 1978. Reluctantly, Congress agreed. The program has now reached the initial stages of production, with procurement of long-lead-time items for seven submarines already authorized. Navy planners expect to buy at least ten TRIDENT boats.

TRIDENT represents a follow-on to the POLARIS/POSEIDON Force, by most estimates the best retaliatory system in the U.S. strategic arsenal. Compared to POLARIS/POSEIDON, the TRIDENT submarine will be larger and faster, will carry more missiles, and will utilize a natural circulation reactor which is significantly quieter at normal patrol speeds. The TRIDENT program also includes two new missiles. Scheduled for operation in 1978, TRIDENT I a range of 4,000 nautical miles (versus POSEIDON's 2,200 nautical miles). Deployed in the current POSEIDON boats, TRIDENT I's added range would increase the operating area from which these boats could fire their missiles at Moscow by a factor of five—from roughly 3 million square nautical miles to fifteen million. TRIDENT II, scheduled for operation sometime in the 1980's, boasts a 6,000 nautical mile range. This range would increase operating area against Moscow to 42 million square nautical miles, but the TRIDENT II is too large to fit into the POSEIDON submarine and would be deployed solely aboard the TRIDENT boat.

Advocates of the accelerated TRIDENT program cite two rationales: First, obsolescence threatens the reliability of the POLARIS/POSEIDON submarines as they reach their 20th birthdays between 1979 and 1987. This argument appears questionable. The POLARIS boats were originally designed with great and expensive emphasis on reliability. They have been operated at slow speeds; they have been carefully maintained; and they have compiled an outstanding record of actual operational reliability to date. Indeed the Defense Department itself has proposed that a new cruise missile be developed for deployment on the older POLARIS submarines, thereby admitting that they still have years of useful life. Second, sudden and unpredictable improvements in Soviet anti-submarine warfare capabilities could render the current force vulnerable. Again, the argument does not withstand scrutiny. The large size of the planned boat has *at best* no effect on vulnerability, and some have argued that the larger size may increase vulnerability.[1] As for the extra speed, even at twenty-five knots the boat would be outrun by attack submarines which travel at thirty knots or better. Moreover, no submarine seeking to avoid or escape detection would ever run at twenty-five knots since at such speeds it can be detected at very long range.[2] The

*This study could not have been prepared without the benefit of interviews with participants. Those interviewed supplied information under the condition that it not be attributed and thus normal references cannot be supplied. Efforts have been made to verify all assertions of fact with more than one source, and where this procedure leaves residual doubt, that has been indicated in the text. The summary analyst is grateful to Arnold Kanter for suggestions and comments.

[1]TRIDENT is being designed to be quieter than the POLARIS boats, so it will be less vulnerable to ASW using passive acoustic sonars. (Of course, a "slimmed down" TRIDENT could be slightly quieter because it would create less "flow noise" of water passing around the hull, one of the components of submarine noise.) However, active sonar depends upon the size of the target, and the larger TRIDENT hence might be more vulnerable. Rathjens and Ruina conclude that against active sonar TRIDENT will be at a "small disadvantage" compared to POLARIS boats (or smaller TRIDENT design). See G.W. Rathjens and J.P. Ruina, "Trident" in K. Tsipis, A.H. Cahn, and B. Feld, eds., *The Future of Sea-Based Deterrent* (Cambridge, Mass.: MIT Press, 1974).

[2]Even if detected, the missile submarine's commander will resort to a variety of tactics rather than to move to high speed. These tactics include evasive maneuvering, launching decoy torpedoes, or calling in other naval craft to help throw the pursuer off track. A submarine running in the range of twenty to twenty-five knots creates such a large amount of noise that it can be detected from a great distance and hence over a large ocean area, thus allowing attackers to converge. Some in the Navy have argued that a pursuing attack submarine (or possibly a destroyer) goes "blind" when a speed of about twenty-five knots is reached, i.e. its sonar is so hampered by its own flow noise that it becomes harder to trail an SSBN than at lower speeds. The break at twenty-five knots is especially convenient since it jus-

natural circulation reactor can operate without inherently noisy pumps only up to a power output corresponding to approximately ten knots in speed. Current submarines routinely operate below this speed. The increases in missile range do provide a significant hedge against vulnerability by forcing the Soviets to search for them in a vastly greater ocean area. But since current ASW technology cannot detect submarines in the area from which they now operate, the first increment in range offered by the TRIDENT I missile appears sufficient.

These facts suggest that, in terms of strategic analysis, the accelerated TRIDENT program was not the most logical choice from the available options. A more sensible approach would have been to continue R&D for another five years and then to have reassessed the technical situation. If an actually deployed hedge against ASW improvements were irresistible, however, then the Navy could have procured the TRIDENT I missile for a number of existing POSEIDON boats, gaining a major decrease in vulnerability without engaging in an expensive submarine construction program. If, despite everything, it were judged imperative to retire the POLARIS boats at twenty years of service, then a much more reasonable boat than TRIDENT could have been designed as the replacement. A preferable submarine carrying between sixteen and twenty-four of the TRIDENT II missiles and capable of speeds similar to POSEIDON boats (twenty knots) might have been designed with less than 14,000 tons displacement and 20,000 shp natural circulation reactor.[3] This would have cost at least $150 million less per boat than the TRIDENT design, thus saving at least $1.5 billion over the currently planned program.

Instead, the government chose to accelerate a program already containing a serious imbalance between the technical characteristics of the weapon system and comprehensible military requirements. In size, speed and cost, the TRIDENT exceeds objectively defendable standards. This case explores the extent to which organizational arrangements of the weapons acquisition process, and in particular within the Navy, account for the disparity.

tified the planned TRIDENT reactor. The analysis seems tenuous at best. It is based on some data referring to existing hull designs and existing sonars. Moreover, few in the Navy reportedly gave this argument much weight in internal Navy decision-making, and less self-interested observers strongly discount it. Even if this point of view is fully credited, the attacker could use slower-moving vessels for tracking and have them coordinate the attack. In essence, speed beyond twenty knots does not appear to be useful for a missile submarine.

[3]The attack submarine *Narwhal* has successfully demonstrated a 17,000-shp natural circulating reactor, and this design could be easily developed to deliver 20,000 shp.

I. OVERVIEW

TRIDENT originated in the Strat-X planning exercise, a paper competition conducted in 1966–67 by civilian defense officials to stimulate cost-effective designs of advanced strategic weapons.[4] Then unglamorously labeled the "Underwater Long-Range Missile System" (ULMS), TRIDENT was the major Naval strategic weapon considered in Strat-X. Analysts advanced ULMS as a successor to the POLARIS/POSEIDON force, then still in the process of initial deployment. Against it they pitted a very large land-based ICBM, envisaged by the Air Force as a successor to MINUTEMAN.

Navy planning for missile submarines was at that time directed by the renowned Special Projects Office (SPO). Created in the 1950's to conduct the POLARIS development program, that office's success with POLARIS had given SPO and Rear Admiral Levering Smith, the new director after Vice Admiral Raborn, a reputation for competence that would be very difficult to match anywhere in the government.[5]

Although the Navy (and SPO) did not make an official submission to the Strat-X study, Smith's thinking clearly counted. Reflecting Smith's predilections and the Strat-X emphasis on minimum cost per surviving warhead, the Strat-X TRIDENT was to carry a large but technically undemanding missile capable of carrying a relatively large number of warheads. The boat would necessarily exceed POLARIS in size, but would use similar sized reactors. This reduced slightly the expected top speed of the boat compared to POLARIS, but speed was not considered a design objective essential to the mission of a strategic missile submarine.

At the conclusion of Strat-X, Smith was named the Project Manager for TRIDENT, the role that SPO had played in the development of POLARIS and POSEIDON. With that mandate, the office pursued on a low-priority basis in 1967–69 various technical designs and gradually evolved its preferred design along the line of the Strat-X conception, i.e. a big boat that carried large missiles and was relatively slow. (See Table 1.) However, the speed of the boat—about nineteen to twenty knots versus POSEIDON's twenty to twenty-five knots—still would be ample to cover actual operational procedures.

[4]The Pentagon Strat-X study was conducted by the Institute of Defense Analysis for the Director of Defense Research and Engineering (DDR&E). It established as the central criterion of judgment the cost per surviving reentry vehicle, and the presumption was that that system which promised the least cost per surviving RV would gain impetus for actual deployment.

[5]See the account by Harvey M. Sapolsky, *The Polaris System Development: Bureaucratic and Programmatic Success in Government* (Cambridge, Mass.: Harvard University Press, 1972).

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During this period of evolution, however, the TRIDENT program attracted the attention of Vice Admiral Hyman G. Rickover, who challenged Smith's conception of TRIDENT. Rickover, then approaching seventy years of age, was another of the Navy's remarkable, even legendary figures and perhaps the only one who could match Admiral Smith's technical reputation. If Smith had helped develop POLARIS, Rickover had developed the more fundamental technology of nuclear propulsion. The nuclear submarine constituted a revolution of sorts within the traditional Navy that had come only with the exercise of great technical, managerial, and political skill—and with the display of enormous will. Smith's great achievement depended on Rickover's before him. Thus when the two admirals locked horns, it was a major event for the Navy.

The issue between Rickover and Smith was joined in technical terms over the size of the reactors. During the late 1960's, Rickover had successfully developed the natural circulation reactor (NCR) which, by operating without the use of noisy pumps at low speeds and requiring less use of pumps at higher speeds, provided a significant improvement in quietness. Rickover had even deployed one in the experimental attack submarine *Narwhal*, which was commissioned in 1969. Recognizing the importance of quietness, Smith wanted access to data on the NCR as a candidate for TRIDENT and thought that the 17,000 shp *Narwhal* design provided adequate power. Rickover, however, proposed to develop a far larger natural circulation reactor which would offer not only the increased quietness, but also greater top speed. The analytic trade-off was that a boat using Rickover's reactor would have to be far larger—and more expensive—than the SPO design. It is always better to go faster, Rickover argued, even if the systems analysts could not imagine why. The commanders of operational submarines, always reliable advocates of speed, agreed. Behind the argument, however, lay a critical fact: if the new reactor were used, Rickover would have substantial authority in the TRIDENT program. On the other hand, if an existing reactor design like the *Narwhal*'s were used, SPO would have maximum control over the entire boat, including the engine room, as it had in the POLARIS program.

With the great authority and prestige of the Special Projects Office already being sapped by struggles with Congress over the POSEIDON program,[6] Smith could not afford a major fight with a coalition of Rickover and the submarine commanders. By 1970 he deferred to Rickover; the result was a TRIDENT submarine design of massive proportions. The projected boat would have a 30,000 ton displacement and would be powered by two 30,000 shp reactors, which would be over three times the size of the POSEIDON boat, with four times the power and a top speed of about twenty-five to twenty-seven knots, making it still slower than modern attack submarines. (See Table 1.)

This resolution of the Smith-Rickover confrontation presented a clear problem to the highest levels of the Navy. Even informal discussion of the behemoth design was sufficient to inspire outrage in Deputy Secretary of Defense David Packard in late 1970. Perceiving such signals of trouble, then Undersecretary of the Navy John Warner and Chief of Naval Operations Admiral Elmo Zumwalt knew that they would have to force a redesign, and they began to probe for options.

Warner's and Zumwalt's intervention produced a classic compromise rather than a range of options. Some Navy analysts recognized that, given the absence of a known threat to POSEIDON survivability, the construction of a new submarine could wait and that procurement of a longer-range missile for the POSEIDON boats would provide an ample margin of safety.[7] This option (labeled the EXPO option, for "expanded POSEIDON") would have restored sole control to Smith, however, and would have suspended missile submarine construction indefinitely. In other words it did not solve the *Navy's* problems, and thus its appeal in terms of strategic logic only served to make it dangerous. Considerable efforts were made subsequently to constrain the fortunes of the EXPO option.

When the top admirals held a critical meeting in January of 1971, the unacceptability of EXPO was the only point of major agreement. Needing some constructive solution, Admiral Zumwalt settled on a fallback position which Rickover's office had prepared, a submarine design of 14,000-ton displacement with a single 30,000 shp reactor. The missiles associated with this design were smaller but, through the use of technical advances, still would have extended range (see Table 1). Zumwalt did not set a precise initial operational date for the new submarine but it was generally thought to be 1980 or shortly thereafter. In order to consolidate this compromise, Zumwalt named Rear Admiral H.E. Lyon as Project Manager 2 of the TRIDENT program and gave him overall management responsibility, i.e. he was to mediate between Smith and Rickover.

[6]For example, in 1969 the Defense Department Appropriations Subcommittee of the Senate made the first conscious Congressional cut ever in the SSBN program and thereby disrupted extensive scheduling plans (Sapolsky, *op. cit.*, pp. 222–226).

[7]The option was bootlegged out of the Navy by low-level personnel and appeared under civilian sponsorship in strategic survivability studies associated with SALT.

Wanting to strengthen their hands, the TRIDENT supporters would not let the Zumwalt compromise hold fast. Under the supervision of RAdm Lyon, at least loosely a Rickover protegé,[8] both the submarine and the missile grew incrementally in size to their current dimensions—the missile by six inches in diameter and four to five feet in length; the submarine by 5,000 shp in reactor output and 4,700 tons in displacement. While the growth occurred without any change in the perceived threat or in the goals of the system, its significance is very clear. Whereas the missile design in the Zumwalt compromise was very close to the EXPO missile in size and hence vulnerable to suggestions that it be deployed in the POSEIDON submarine, the latest version (now called the TRIDENT II) is decisively larger and unequivocably requires a larger submarine. Likewise, the larger reactor stilled internal suggestions that the TRIDENT use the existing 30,000 shp reactor then being deployed on the latest nuclear attack submarines. The schedule of development was also accelerated. The date for initial deployment was advanced to 1979, and funding for the first reactor was included in the 1973 budget (at least a year or two in advance of actual need). In short, growth and acceleration were used as bureaucratic defense against alternative technical designs.

Having consolidated the Navy position, the TRIDENT program was launched on the broader seas of American politics and, though there have been some close battles, the compromise technology (with some fortuitous help) has prevailed. David Packard conducted the first attack. In September of 1971, he issued an official Development Concept Paper on the TRIDENT program in which he substituted the EXPO option for the Navy program, deftly renaming the missile the ULMS I (later to become the TRIDENT I) to take some of the sting out of his decision. Packard planned to put the TRIDENT I missile on POSEIDON boats and defer new submarine construction until "the early 1980's." The finesse looked brilliant. It forced out the option which the Navy had labored to suppress, and Packard could expect an increasingly skeptical, economy-minded Congress to find that option attractive. Congressmen would be loath to resist a program involving the primary component of the strategic arsenal, but they would presumably welcome a version of that program that was cheaper and at least as effective.

The Navy program survived that assault, however, with the aid of a timely intervention from the White House. In October, 1971, President Nixon wanted Defense Secretary Melvin Laird to increase substantially strategic spending during the next fiscal year (1973), especially in the strategic missile submarine program. The President was not reflecting a special concern for TRIDENT. Rather, the Moscow Summit had been announced by this time and the President intended, if possible, to sign the SALT agreements there. He wanted to make sizable, "visible" increases in U.S. expenditures on strategic forces to minimize any concern that some of our allies or conservative voters would have over the effect of the SALT agreements on the strategic balance.

The President was also concerned over the status of the negotiations on offensive weapons. It was already certain that the offensive agreement would allow the Soviets 400 to 500 more ICBM's than the United States, but it was most uncertain whether the Soviets would agree to limits on missile submarines, which they were building at the rapid rate of seven or eight per year and which we were not building at all. If the missile submarines were not included, the Soviets would be given a large numerical edge in ICBM's and no controls would be placed on their active SSBN construction program. Threatening to accelerate the U.S. submarine missile programs might encourage the Soviets to agree to limits on future construction. If the threat failed, the accelerated program would help mollify the allies and the conservatives. Even if the Soviets did agree to include the submarines, it was certain then that the offensive agreement would have a duration of no more than five years. Hence, given the President's commitment to "bargaining chips," he wanted a construction program underway to help in the subsequent negotiations.

The President's initiative overwhelmed the Packard finesse. It brought Defense Secretary Melvin Laird into the issue and set the decision in an immediate political context favorable to the program. Recognizing the risks and tremendous resources required to accelerate the TRIDENT program, the Navy did not recommend acceleration. However, the Navy (with Rickover pushing the hardest) made it clear to Laird that, if there had to be an accelerated program, the Navy preferred the TRIDENT acceleration and not the EXPO option (regardless of its name) or any other option.[9] To allow

[8]Lyon had been a reactor safety officer, a career track that rarely leads to admiral's rank in the Navy. Rickover had been a strong supporter of Lyon and reportedly helped get him his stars.

[9]Some civilians in the Pentagon and on the National Security Council staff suggested other alternatives besides EXPO. If time were truly critical, additional SSBN's could be deployed most quickly (by 1975–76) by adding missiles to new attack submarines that were under construction; alternatively and probably the wiser course, the Navy could avoid some of the time required for the design and planning of TRIDENT by building more POSEIDON boats, possibly with a *Narwhal*-type reactor. Both alternatives were also much less expensive than TRIDENT and would allow the TRIDENT submarine to be deferred until future ASW threats were better understood.

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TABLE 1

	POSEIDON	*TRIDENT proposals*			
Time Period	Presently deployed	1967–1969	1970	"Super 640" Jan. 1971	Sept. 1971 and present
Submerged Displacement of Boat	8,250 tons for largest	Approx. 18,000 tons	Approx. 30,000 tons	Approx. 14,000 tons	Approx. 18,700 tons
Propulsion Plant	15,000 shaft horsepower (shp)	Existing design—about 15,000 shp	New natural circulation reactors (NCR). Two reactors of 30,000 shp each	NCR of 30,000 shp	NCR of 35,000 shp
Approximate Speed	20–23 knots	19–20 knots	25–27 knots	25 knots	25 knots
Size of Missiles	34′ long 75″ diameter	About twice volume of TRIDENT II	About twice volume of TRIDENT II	37′ long 74″ diameter	41–42′ long, 79–80″ diameter (TRIDENT II)
Comments		Preliminary design. Very little emphasis on new technology. Missile design—POSEIDON payload with longer range, or bigger payload with shorter range	Compromise between Rickover and Smith	Size reduced. New technology missiles. Result of Packard's concern over size.	Boat and missile allowed to grow.

any interim program, the Navy reasoned, would push TRIDENT even further into the future and might threaten it altogether. Laird decided in December of 1971 to accelerate the TRIDENT program.

The actual results of SALT cemented Laird's logic. In the interim agreement of May, 1972, the United States accepted an unfavorable numerical disparity in strategic submarines and missiles, and defended this to both the Joint Chiefs of Staff (JCS) and the Senate as the natural result of the fact that the United States did not have an on-going construction program in this area. Taking his cue, JCS Chairman Admiral Moorer made approval of strategic funding requests, including that for the accelerated TRIDENT program, a condition for his support of the SALT agreements.

In Congress the TRIDENT program encountered skepticism and sharp debate but in the end reluctant and unenthusiastic approval. Criticism centered in the Senate where members of the Armed Services Committee perceived that TRIDENT, for all its enormous cost, did not add much to national defense. The legislators, however, are not organized to design weapons systems or define strategic programs, and they remain reluctant to do anything that might seem to jeopardize strategic security. The issue in the Senate thus focused on the less drastic matter of acceleration. For two years running, 1972 and 1973, amendments to cut the TRIDENT program back to the more leisurely schedule envisaged by David Packard were defeated by very close votes both in the Armed Services Committee and on the Senate floor.[10] Presented authoritatively by DOD, other options and other technical designs would have been viable on Capitol Hill, but none was offered.

An Administration-backed lower-cost option made its first appearance on the Hill in 1974. Presumably reflecting his unhappiness with the size and cost of TRIDENT, Secretary Schlesinger proposed in January 1974 that the FY 1975 defense budget include $16 million to start feasibility and conceptual design work on an improved SSBN, called the SSBN-X (Reflecting the source of his idea, Schlesinger occasionally called it the "*Narwhal*-type" SSBN.) Although the design was obviously still tentative, the proposed SSBN was to be available in 1984, would be smaller than the TRIDENT, and would carry sixteen TRIDENT I missiles. While the boat would be slightly larger than the POSEIDON, it would be unable to accommodate the larger TRIDENT II.

The R&D Subcommittee of the Senate Armed Services Committee, which had opposed the TRIDENT acceleration in 1972 and 1973, surprised some casual observers when it recommended that

[10]In the Senate Armed Services Committee, the TRIDENT acceleration passed by virtue of an 8–8 vote in 1972 and an 8–7 vote in 1973. (In 1972, Richard Schweiker, a junior Republican Senator, switched his vote at the last minute to support the Administration, and Senator Barry Goldwater did the same in 1973—both reportedly as a result of intensive Administration lobbying.) On the Senate floor, the Administration succeeded by a vote of 47–39 and 49–47 in 1973. Note that such Senators as Byrd of Virginia, Cannon, Dominick, Saxbe, Jackson, and Goldwater opposed the Administration at least once in these votes.

the funds be denied. This recommendation was upheld by the full Committee, won easily on the Senate floor, and was accepted in conference. The Subcommittee's (and Committee's) denial was specifically predicated on the ground that, "while it fully supports the concept of a lower-cost, submarine-launched ballistic missile system than the TRIDENT," the request for funding was "premature." [11] Since the procurement for the TRIDENT program was already underway and it was generally accepted that in these circumstances a "minimum buy" should be ten TRIDENT boats, it appeared unnecessary for the Pentagon to begin planning at this time for the SSBN-X. The only lukewarm support for the SSBN-X by the Director of Defense Research & Engineering and opposition from some quarters in the Navy (reacting to this potential threat to a large buy of TRIDENT's) also did not help to generate support for the alternative. The Committee's report, the Senate debate, and other indications, however, suggest that Administration sponsorship of an alternative to TRIDENT —either the one presented by Secretary Schlesinger or maybe a boat which could carry the TRIDENT II missile—will obtain strong Congressional support in future years when the decision point is reached to buy more than ten TRIDENT's or to proceed with the lower-cost option. Secretary Schlesinger apparently decided this year not to push for a new lower-cost alternative in his FY 1976 budget, but only to keep the idea alive by requesting a small $2 million for a new program called "SSBN Subsystem Technology."

II. ANALYSIS: IMPACT OF ORGANIZATIONAL ARRANGEMENTS ON U.S. DECISIONS AND ACTIONS

Clearly, the strength and skill of Admiral Hyman Rickover go a long way toward explaining TRIDENT's excessive size, speed, and cost. Rickover wanted a large, fast boat; he worked long and hard to get one; and in the end he obtained essentially the result he wanted. Throughout the episode, however, organizational arrangements eased Rickover's task.

The essence of the TRIDENT design—especially in the 1970 behemoth version, but in the final program as well—lay in pushing technology against natural barriers in pursuit of greater speed. Rickover saw the new submarine as an opportunity to extend natural circulation reactor technology to the limit. (The SSBN commanders who since the original POLARIS development had become a coherent branch of the Navy with substantial operational experience agreed, eyeing the additional speed Rickover's reactors could provide.) The agency nominally responsible for TRIDENT's development—the Special Projects Office—lacked the capability to develop reactors on its own. SPO thus depended on Rickover's organization. Rickover's strong preference for a large reactor was thus able to drive the submarine's design.

Another set of organizational arrangements associated with the overall defense budget disadvantaged dissenters elsewhere within the Navy and further contributed to Rickover's victory. The budget process, as Secretary Laird structured it, tended to discourage competition within the Navy—for example, between the surface fleet admirals and the submariners. When the process was first initiated, each service apparently tried to cut back on the strategic share of its budget in favor of bolstering non-strategic forces. This reflected a bureaucratic game: the services knew that strategic forces were especially visible politically and that the Administration was most likely to give these programs extra funding at the last minute. To prevent this, Laird and Packard soon began to put a "fence" around strategic forces (and a few other budget categories) to prevent these raids, but this practice also meant that the non-submariners in the Navy saw little gain in challenging TRIDENT. Secretary Schlesinger removed the "fence" protecting the Fiscal Guidance for strategic forces (but not some other categories) for the FY 1976 defense budget preparations: it is still too early to determine what the actual impact will be.

Though potentially quite adept at spotting the weaknesses in other services' programs, the Army and the Air Force refrained in this case. Again, the reason lies in organizational arrangements. The budget process significantly weakened competitive pressures from the other services. Under the system established by Laird in 1969 (and essentially still in effect at this time), the services received "Fiscal Guidance" early in the annual budget-planning cycle that set a clearly defined amount for each service. Since these guidelines have been maintained over the planning cycle, the services quickly learned that it is fruitless to compete for greater shares of the total defense budget. This was reinforced by the elaborate force planning process whereby each service had to show in detail what forces the funds could buy. The detail was sufficiently time-consuming that each service found it difficult to suggest alternative approaches, including ones

[11] The language is from the Committee's report, U.S. Senate, Committee on Armed Services, *Authorizing Appropriations for Fiscal Year 1975 for Military Procurement, Research and Development, and Active Duty, Selected Reserve and Civilian Personnel Strengths, and for Other Purposes,* Report No. 93–884, 93rd Congress, 2d Sess., 1974, p. 105. This report, however, also reflects the subcommittee's rationale.

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which give it a part of another service's funding.[12] As a result of this system, neither the Air Force nor the Army commented seriously on the TRIDENT program after the Strat-X study.

III. EVALUATION OF U.S. GOVERNMENT PERFORMANCE

A. *A Reasoned Conception of U.S. Objectives Was Present:* excellent.

Invulnerability of the ballistic missile submarine force is probably as well reasoned and objective as can be found anywhere in American foreign policy. The notion of exerting bargaining leverage in SALT is also a reasonably clear, coherent conception.

B,C. *The Best Obtainable Information Relevant to the Decision Was Made Available/The Implications Flowing from the Information Were Effectively Canvassed:* technical performance: excellent; policy performance: fair-to-poor.

The connection between the objectives espoused and the means chosen was very problematic and it does not seem that the best available information was applied to this problem in an honest, objective fashion. As noted the size, speed, cost, and timing of the submarine did not have any compelling relationship to an identifiable vulnerability problem or to the SALT process. On the purely technical side, the performance so far appears to have been at the high level which has characterized the nuclear submarine program throughout its history. The NCR technology incorporated in the design does appear to offer very significant improvement in quietness and technical advances in missile propulsion were effectively incorporated into the design to achieve greater range/payload combinations for a given missile size.

D. *A Full Range of Alternatives Was Considered:* poor.

This dimension of the case has been discussed above.

E. *A Full Range of Relevant Considerations Was Applied:* fair.

The decision process appears to have been very narrowly focused relative to the broad issues inherently involved. The speed, quietness, and size of the submarine received attention as did the range and payload of the missiles. It is not clear from available information the extent to which issues such as crew morale and comfort; the impact on shipbuilding schedules and on other strategic programs; and the integration with other Naval forces were discussed. Since there is very little reflection of such things in the technical configuration of the program and in its justification one assumes that such things were in fact neglected.

F. *All Appropriate Participants Were Consulted:* Fair.

The critical problem with the TRIDENT design (as distinct from the production schedule where there was much consultation) was that the Navy kept the debate over the design to itself during the crucial early years. There was little, or no, participation by civilian analysts in the Office of the Secretary of Defense, by the Deputy Secretary, by other Executive Branch officials, or by Congress. It's not only that these other entities were passive (though there is an element of this), but often the process was structured so that they had no formal direct way to affect design decisions.

G. *The Decision Was Taken at the Lowest Level Possible:* no grade.

The criterion is difficult to deal with. In one sense the critical decisions were made at too low a level in that some powerful admirals mixed in their parochial interests. But the cure might have as easily involved even further decentralization, since the low-level designers during the Strat-X part of the proceedings (under Admiral Smith's dominant influence) came up with a more sensible program. We find the criterion difficult to apply. Different decisions are made at different levels of the bureaucracy. There is no such thing as "the decision."

H,I,J. *The Decision Was Clearly Communicated to Those Responsible/The Actions of the Responsible Officials Were Monitored/The Results of the Decision Were Noted and Assessed:* no grade.

There is no sign in the case so far of a failure to communicate downward. Given the POLARIS experience everyone assumes that TRIDENT will be a technical success and will be implemented in an orderly fashion. Until the boats hit the water final judgment must be reserved.

K. *The Resources Committed to the Action Were Commensurate with the Task:* poor.

The TRIDENT program promises to be the most expensive weapons procurement program in history, and in fact, it is difficult to think of any construction program (over a similar time span) which would compete for such dubious honors. It seems fairly obvious that the resources devoted are dramatically out of proportion to the task. The TRIDENT submarines provide marginal additions to a force which is already oversized for its objectives. The TRIDENT I missile was a justifiable improvement. The TRIDENT II missile less so.

[12]The Joint Chiefs did prepare a Joint Forces Memorandum (JFM) that involved some inter-service bargaining, but this document was produced early in the budget process (when total funding was still uncertain) and was not tied well to the rest of the process.

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L. *The Decision Was as Public as Was Consistent with its Nature:* good.

The matter of national security classification complicates this question. Many technical and operational features of the program have been appropriately restricted under security classification. The broader policy issues, however, the conflict between organizational sub-units, and even the apparent conflict in personalities would have been handled better if they had been more broadly and more explicitly discussed. Nonetheless, it must be conceded that one major reason why such issues were not treated openly is that throughout the American system it is not considered legitimate to do so. It would be appropriate to grade the entire system low on openness—at least the defense and foreign policy segments of it—but it would not be fair to grade the TRIDENT process unusually low against what is by nature a low performance standard.

M. *The Decision Was Broadly Consistent with the Public's Sense of U.S. Interests:* excellent.

The public sense of U.S. objectives in this area is not developed in detail, and it is in matters of detail that the inadequacies of the TRIDENT program appear. With that said, there seems to be little question that the decisions taken were *broadly* consistent with the public's sense of U.S. objectives and of legitimate means of pursuing them. To the public and even most of Congress TRIDENT is simply a ballistic missile submarine and that is a category of weapons which enjoys broad approval. There was some public dissent on the technical configuration (along the lines discussed in the paper). There was also some dissent from those who felt the program's timing to be premature in the light of broad arms control objectives. Overall, however, there are probably few weapons projects that meet with such broad basic approval.

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CHAPTER 7

FDL*

Based on a Case by Graham T. Allison and Anne Karalekas

If Americans find it easy to go anywhere and do anything, they will always be going somewhere and doing something.

The issue was FDL: Fast Deployment Logistics ships. Secretary of Defense Robert McNamara proposed these ships as part of the "balanced mix of airlift, sealift, and equipment prepositioning to meet U.S. deployment objectives." This posture would, in the Secretary's words, enable the United States "to respond promptly to clear threats to our national interests and the security of our allies . . . to deter and to prevent such threats from expanding into larger conflicts." [1]

The epigraph expresses the view of Senator Richard Russell, Chairman of the Senate Armed Services Committee, and the Subcommittee on the Department of Defense of the Senate Committee on Appropriations, a seasoned observer of American government. Faced with a choice about this specific weapons system—FDL—Russell voted *no* on the grounds that creation of a ready, rapid reaction capability would make it more likely that in a crisis the U.S. Government would decide to use military force.

Russell's aphorism played no part in the systems analysis that led McNamara to propose FDL. Indeed, after Congress had once denied funds for FDL, McNamara's subsequent submissions of the proposal took explicit aim at the proposition that "because of the rapid response capability provided by the FDL, we would be tempted to intervene in situations where our long range best interest would dictate otherwise." [2] McNamara denied the argument any validity whatever: "I want to emphasize that the FDL's, *per se*, would in no way add to or subtract from our commitments." [3] McNamara's Assistant Secretary of Defense for Systems Analysis, Alain Enthoven, reconsiders this question in his review of the Department of Defense programs from 1961 to 1969. "The FDL," notes Enthoven, "ran into opposition from certain Congressmen who feared that it would only provide the United States with more capability to act as the world's policeman and thus increase the possibility of our getting involved in more 'Vietnams.'" [4] But Enthoven finds these fears unfounded on the grounds that "having an efficient capability should be separated from the question of political wisdom about when to use it." [5]

The Senate killed the FDL. The Defense Department arranged to meet U.S. deployment objectives with other airlift and sealift capabilities. Leaving aside the invasions of Cambodia and Laos (both staged from Vietnam) and the bombing of Vietnam, the U.S. has not intervened militarily with force since the argument. Fortunately, no situations that might seem to require American intervention have arisen. So, there has been no "test" of the question in dispute. (In the Yom Kippur war in the Middle East, U.S. resupply of Israel met with some delays, though neither the timetable nor the nature of the supplies was suited to an FDL.)

This case examines the U.S. Government's decision on the FDL, focusing primarily on the Secretary of Defense's recommendation to procure FDL and Congress' veto of that recommendation. Rarely does Congress say no to a specific weapons system that has been proposed by the Defense Department and recommended by the Secretary of Defense. This small case can therefore provide a window on a potential, but seldom used instrument of Congressional authority, and if Senator Russell is right, of Congressional power in shaping American foreign policy. As the initial juxtaposition of judgments suggests, Russell's approach to the problem of force posture differed substan-

*The authors are grateful to Donald Brennan and Arnold Kanter for comments and suggestions on earlier drafts.

[1] *Statement by Secretary of Defense Robert S. McNamara before the House Armed Services Committee on Fiscal Year 1969–73 Defense Program and the 1969 Defense Budget*, January 22, 1968, p. 139.

[2] *Ibid.*, p. 143.

[3] *Ibid.*

[4] Alain C. Enthoven and K. Wayne Smith, *How Much is Enough? Shaping the Defense Program, 1961–1969* (New York: Harper & Row, 1971) p. 238.

[5] *Ibid.*

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tially from the approach of Messrs. McNamara and Enthoven. This case will also cast light on those larger differences.

I. OVERVIEW

The process by which FDL developed seems normal in every respect except the refusal of Congress to fund it. As noted above, the program began as part of the larger mix of airlift and sealift capabilities proposed by the Office of Systems Analysis. Airlift and sealift are typically low-priority items for the military services. The chief reasons are two: (1) a general service preference for numbers of partially-staffed major force units as against smaller numbers of full-strength ready units and (2) the fact that with airlift and sealift the Air Force and the Navy are providing a service to the Army. General Maxwell D. Taylor has described this problem with special reference to tactical air support of ground troops:

> Since 1947, the Army has been dependent upon the Air Force for tactical air support, tactical air lift, and for long-range air transport. Throught this period, the Army has been a dissatisfied customer, feeling that the Air Force has not fully discharged its obligations undertaken at the time of unification. The Air Force, having something which the Army wanted, has been in a position to put a price upon cooperation and to insist upon acquiescence in Air Force views on such controversial issues as air-ground support procedures, air resupply, and control of air space over the battlefield. As technical improvements in weapons and equipment offered the Army the possibility of escaping from dependence upon the Air Force, the latter has vigorously resisted these efforts and has succeeded in obtaining the support of the Secretary of Defense in imposing limitations on the size and weight of aircraft procured by the Army, on the range of Army missiles, and on the radius of Army activities in advance of the front line of combat.
>
> As a result of the controversies arising from the dependence of the Army on the Air Force, the two services have been constantly at loggerheads. They have been unable to agree on a doctrine for cooperation in battle. They are at odds as to the adequacy of levels of Air Force support for the Army, and as to the suitability of types of Air Force equipment to furnish this support. Because of the very high performance of their airplanes, designed primarily to meet the needs of the air battle today, the Air Force is not equipped to discharge its responsibilities to the Army in ground combat. Having witnessed this unhappy state of affairs for over a decade, I am convinced that the Army must be freed from this tutelage and receive all the organic means habitually necessary for prompt and sustained combat on the ground. It should have its own organic tactical air support and tactical air lift, or rather the new weapons and equipment which will perform the functions presently comprehended under those two headings.
>
> Special restrictions of size, weight, and in the case of weapons, of range should be abolished forever and the Army encouraged to exploit technology to the maximum to improve its weapons and equipment habitually necessary for prompt and sustained ground combat. It is essential to end the present fragmentation of the land force function, particularly at a time when the role of land forces should assume increased importance under the strategy of Flexible Response.[6]

Upon his arrival at the Pentagon McNamara sought to end precisely such fragmentation. As a key tool, he installed the Planning-Programming-Budgeting-System (PPBS). According to Alain Enthoven, who assumed a major role in implementing the new system:

> The fundamental idea behind PPBS was decision-making based on explicit criteria of the national interest in defense programs . . . The main purpose of PPBS was to develop explicit criteria, openly and thoroughly debated by all interested parties, that could be used . . . as measures of the need for and adequacy of defense programs.[7]

The essence of the PPBS approach to defense policy and military posture includes: first, conception of the central problem as one of matching military forces to specific defense objectives in a cost-effective manner; and second, definition of this problem as a primarily intellectual job consisting of four major tasks: (1) defining U.S. national security interests and commitments clearly enough to measure their achievement; (2) specifying the contingencies that U.S. forces must have the capability to meet; (3) determining the form of the U.S. response; and (4) comparing alternative forces so as to select the cost-effective means for satisfying specific requirements.

McNamara and his associates applied PPBS to the issue of readiness and the specific question of capabilities for airlift and sealift. As chronicled by Enthoven and Smith, the basic question was:

> Do we want to get there quickly and in large numbers and pay the extra cost, or do we want to take our time, save money, and accept greater risks? A series of landmark studies conducted in 1963 and 1964 . . . addressed this question. The

[6]Maxwell D. Taylor, *The Uncertain Trumpet* (New York: Harper & Bros., 1959), pp. 169–170.

[7]Enthoven and Smith, *op. cit.*, p. 33.

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first of these studies looked at alternative deployment strategies for countering an enemy assault . . . The study compared three strategies, each requiring alternative speeds of deployment: (1) a "forward" strategy . . . ; (2) a "defensive" strategy . . . ; (3) an "intermediate" strategy . . . This study confirmed a common sense conclusion derived from World War II and Korean experience. During the first few months of each war, the enemy swept down quickly over a lot of territory, and American and Allied forces had to spend many months painstakingly pushing him back . . . *In terms of the cost to fight a conventional war, the forward strategy was estimated to save more than $10 billion over the defensive strategy.* [8]

Enthoven reports that "as a result of these studies, it was generally accepted that there was very great value to having the ability to deploy forces rapidly to reinforce allied and U.S. forces in overseas theaters." [9] The question then became, what combination of transportation and prepositioning would allow the United States to achieve this objective in the most cost-effective manner? Enthoven and Smith continue:

Through the joint efforts of the Services, the JCS, and the Systems Analysis Office, a mathematical representation of the situation—a model—was developed which, by 1968, tied together some 3,000 separate factors relating to the cost, capabilities, and limitations of each major component of U.S. mobility forces . . . We could calculate the combination of ships, aircraft, and inventories of Army equipment pre-stocked in overseas locations which would enable the United States to meet any of these deployment objectives at the least total system cost . . . Several years of analyses of this kind suggested that a balanced mix of airlift, sealift, and equipment prepositioning to meet U.S. deployment objectives consisted of six C-5A squadrons, 14 C-141 squadrons and 30 Fast Deployment Logistics ships (FDLs); prepositioned equipment in Europe and the Pacific; a Civil Reserve Air Fleet; and 460 commercial general-cargo ships.[10]

The FDL that Systems Analysis proposed as part of this mix grew out of two separate naval transport concepts that had been under study. The first was the roll-on/roll-off ship which the Navy had developed and three of which Congress had authorized through FY 1963. Its chief advantage was its capacity to load large size equipment intact, i.e. without dismantling. The second precursor to FDL was the Forward Floating Depot ship. A method for meeting the prepositioning requirement, the FFD was to hold stocks of equipment and supplies and was to be stationed within a few days' distance of potential trouble spots. By FY 1963 three Victory class cargo ships had been converted into FFD's and deployed.

For DOD, the FDL program constituted a merger of the two earlier programs. Both the roll-on/roll-off ship and conversion of Victory class cargo ships were to be phased out and replaced by the FDL. When McNamara first introduced the FDL in his FY 1966 posture statement, he described it as an improved version of only the roll-on/roll-off ship. Congress approved two of the four FDL's which McNamara recommended for FY 1966. In his force posture statement for FY 1967 McNamara omitted FDL from his budget request, anticipating the major program which he presented in his FY 1968 posture statement and which called for an eventual force of 30 FDL's. During his FY 1968 presentation McNamara linked FDL to both the roll-on/roll-off ship and to the FFD. At this point Senator Russell's protest began. His objections were directed to the prepositioning aspect of the program and the quick availability which scattered FDL forces would have provided. Although Congress had already approved both the FFD in the form of converted Victory class cargo ships as well as two FDL's, Russell now challenged FDL according to his conviction that availability of rapid response capabilities might create temptations to intervene when prudence would dictate otherwise.

If Congress had authorized the program, negotiations would have been conducted with the contractor and a contract readied for award promptly after Congressional appropriation. Funds for four ships were included in the FY 1969 budget and the Defense Department planned to request ten more in FY 1970 and eight in each of the two following years.[11] Under this schedule, the first four FDL's would enter the U.S. force in FY 1972, with subsequent deliveries at the rate of one per month.

In the normal case, the Secretary of Defense presents the Defense Department's Budget and his recommended force posture, and Congress looks over the request—in its overseer's role—examining the rationale for forces to insure that the Executive has thought ahead and can provide justification for its requests. In the normal case, however, the Armed Services Committees primarily probe for the existence of some rationale and for the recommendations of the service chiefs as well as the Secretary of Defense. As one insightful member of the House Armed Services Committee has written:

Almost every Congressman feels that he is an expert on education, or economics or any number of domestic issues. But when it comes to defense, most Congressmen lack confidence, and so

[8] *Ibid.*, pp. 235–236, emphasis added.
[9] *Ibid.*, p. 236.
[10] *Ibid.*, pp. 236–237.
[11] FY 1969, p. 148.

they turn to 'experts.' To most Congressmen, defense experts are people in uniform . . . [12]

Thus the Armed Services Committees are more likely to reduce spending by making across-the-board cuts (leaving to the Executive experts the decision about which systems shall be cancelled) or by stretching out procurement of a weapon, or by cutting the number of units procured.[13] Rarely do they eliminate a particular weapon.

In the normal case, the Senate and House accept the recommendations of the Committees charged with initial action on an area of policy. FDL was normal in this respect. However, the recommendation of the Senate Armed Services Committee was not. The pattern of Congressional response to FDL was the same in FY 1968 and FY 1969, when the legislature refused funding. The initiatives for deletion came from Russell's Senate Armed Services Committee, which recommended against the program. The House Armed Services Committee, on the other hand, repeatedly approved the Defense Department's requests for the weapon. In joint Senate-House conferences which followed floor support for the two committees' differing recommendations the Senate managed to sustain its position and the final defense authorization bills eliminated FDL.[14]

Why Congress first approved the FDL and later rejected it is perplexing. One factor might have been the projected size of the FY 1968 program. The vision of thirty ships (as opposed to the four proposed for FY 1966) floating the seven seas, "looking for trouble" brought to mind a kaleidoscope of eventualities with which the United States might have felt compelled to involve itself.[15] Another factor stirring Russell's objections might have been the relatively recent emphasis on sealift as a component of rapid response capability. Although by FY 1969 DOD had linked airlift and sealift as complementary force requirements, it is clear that this had not been the case in the early 1960's. Congress approved the C-5A with hardly a murmur. Since airlift had long been accepted as an essential component of rapid response capability, Russell, among others, probably looked upon the C-5A as an improved method for meeting an established need.[16] The addition of a rapid sealift capability, on the other hand, was in itself an indication of expanding commitments and a greater potential for foreign involvement.

II. ANALYSIS: IMPACT OF ORGANIZATIONAL ARRANGEMENTS ON U.S. DECISIONS AND ACTIONS

The two major outcomes—the Department of Defense request for FDL procurement funds and Congressional rejection—were importantly affected by organizational arrangements within the Executive branch. The Congressional rejection also reflected Senator Richard Russell's particular perspective on the problem—a perspective with important implications for the management of foreign policy.

A. DOD's Request

The vehicle through which proposals like FDL are generated was—and is—the annual budget cycle. Typically, services (sometimes after informal consultation with DDR&E and Systems Analysis) propose development and procurement of specific weapons systems. OSD, including DDR&E and Systems Analysis, then ratifies, modifies, or rejects those proposals. But it is the services that generally command the initiative and set the agenda. It is no accident that OSD's elaborate analyses often conclude that the right thing to do is precisely what a service has proposed.

In the case of the Airlift/Sealift Study, Systems Analysis worked with the services in generating development proposals. During the course of the episode, enthusiasm for the C-5A caught fire within both Systems Analysis and the Air Force, previously not strongly committed to airlift capabilities. In the case of FDL, however, Systems Analysis departed from the norm and exercised independent judgment. The Navy did not favor FDL. Indeed, the service had repeatedly omitted the weapon from its

[12]Les Aspin, "Parliamentary Control of Defense: The American Example," (article forthcoming).

[13]In the last decade the authority of the authorization committees expanded considerably.

[14]In FY 1970 the argument played out one more time with the same results but a different cast of characters. Clifford had replaced McNamara and Stennis had replaced Russell.

[15]The FDL also drew vigorous opposition from the shipping industry. Traditionally, DOD has depended on merchant shipping to meet its mobility requirements, retaining military sealift forces only for those capabilities not available from commercial sources. Indeed, the faltering American shipping industry relies heavily on defense contracts to maintain its solvency and likewise, is alert to any possible limitations on its government revenues. As a transport ship, FDL posed such a threat and from FY 1966 until FY 1970, the last defense budget which included an FDL proposal, the shippers voiced strong objections to FDL. They questioned DOD assurances that FDL would not be used in point-to-point service during peacetime and mounted an organized campaign against the weapon, directed principally at members of Congress. Despite the intensity of the maritime industry's protest, one must conclude that it had little effect. The House approved the FDL, while from all available evidence, the Senate's rejection was based on other considerations.

[16]The contractor for the C-5A was Lockheed-Georgia, of Senator Russell's home state.

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budget plans, only to see it restored by OSD. OSD's unusual ability to supersede service preferences on the issue lay in the simple fact that sealift was of minor importance to the Navy and a low-budget item. When OSD chose to include FDL in the Navy's budget (and to increase the budget by the amount of the required expenditure), the Navy did not bother to protest.

McNamara's reliance on Systems Analysis for advice tilted his decision in favor of FDL. Systems Analysis was dominated by economists. Neither the analysts' background nor the logic of their technique prompted them to include foreign policy considerations in their evaluation. In the logic of PPBS, Russell's argument did not "compute." Indeed, McNamara attempted to dismiss the premise of Russell's objections rather than dealing with his alien evaluative criteria on their own terms. Once Congressional objections were first aired during the FY 1968 Military Authorization Hearings, OSD was unable to incorporate the Congressional perspective into the next budget plan. On the contrary, FY 1969 and FY 1970 found FDL on the budget request with the original justifications.

B. The Congressional Response and Russell's Alternative

Analogous organizational influences mark the other weapons cases in this collection. Of singular interest, however, is Senator Russell's response. In making the case against FDL, Russell highlighted a major deficiency in U.S. weapons decisions: the failure to take explicit account of foreign policy considerations in weapons decisions. This failure is organizationally grounded in the sense that no organization currently hooked into the weapons acquisition process believes such considerations its province. In this particular case Congress played a major role in remedying the deficiency.

Obviously, the FDL issue developed against the backdrop of Vietnam, which both Senator Russell and Secretary of Defense McNamara by now considered a grave error of American foreign policy. But Senator Russell was not swayed by Vietnam alone. As he stated in the Committee hearings on the FY 1968 budget:

> When I read an article in a reputable British newspaper, after the gallant efforts to declare Rhodesia a threat to world peace and to vote sanctions against her, that the United States would have to enforce any sanctions on South Africa and Rhodesia, it chilled my enthusiasm for these ships. If we build anything like this, we are going to be handed more and more of this business of fighting everybody's wars everywhere. Especially, I think we have no business in Rhodesia. I know I am suspect where there are any racial problems, but no matter what races were involved, I would say we had no business going into Rhodesia and enforcing any sanctions there.

Senator Russell never presented a definitive account of his approach to the problem of weapons selection. But taking his aphorism (cited at the outset) as a clue, it is possible to outline an approach roughly consistent with his view; hence "Russell's alternative."

According to this approach, PPBS calculations about cost-effective means for well-specified defense objectives constitute one piece of the problem. But only one. Other pieces emerge from the fact that military forces are an inextricable strand in the unwieldy processes of the U.S. national security establishment. In consequence, it is unreasonable to separate choices about weapons systems from the larger problem of managing these processes so as to increase the probability of the American Government's making the preferred decisions and taking the preferred actions.

The processes of the national security apparatus can be characterized crudely as follows:

- Foreign policy problems are inherently difficult. Foreign policy problems are inherently so complex that reasonable men can reach fundamentally incompatible conclusions about their solution.
- Decisions about the use of military force are, and should be, "situational." No one has been able to specify an acceptable set of principles that identify unambiguously when and where the United States should and should not use military forces. Definition of U.S. interests and articulation of presumptions about responses to contingencies provide useful guidelines. They do not permit deductions about particular cases.
- As a consequence of the first two items, the individuals involved in choosing whether or not to intervene militarily in a specific situation can, and do, and will differ substantially about what should be done. Rarely have the central actors in the U.S. Government unanimously chosen to use military force.
- Capabilities created to increase the government's options by generating information and alternatives that would otherwise be unavailable, also, and of necessity, create interests in, and often lobbies for, the use of these capabilities. In crises, governments tend to "go with what they've got." Ready options dominate potential but not-so-available alternatives. This results not only from the logical truism

that at any point in time a government must choose among actions that it is capable of taking, but also from the empirical fact that deadlines tend to narrow the options leaders seriously consider, highlighting actions subordinates are best equipped to carry out.

For example, lack of a ready response capability seems to have affected President Kennedy's decision not to intervene in the Laotian crisis of 1961. During the transition, Eisenhower had warned Kennedy that intervention might be necessary. But when Kennedy contemplated the move several months later, the military expressed no enthusiasm, and the Joint Chiefs of Staff estimated 140,000 troops equipped with tactical nuclear weapons would be needed. Moreover, intervention in Laos would hamstring our ability to act elsewhere. Kennedy's military aide, General C.V. Clifton, has written of Kennedy's "stunned amazement" when he learned that if he sent 10,000 troops to Southeast Asia, he would have no strategic reserves left for other contingencies. Such other factors as Congressional opposition, public opinion, and the President's personal values may have influenced Kennedy more strongly than military "leanness." But can one feel confident that the United States would not have intervened if a mobile strategic reserve of 140,000 men had been available and the Chiefs had unanimously guaranteed success? [17]

- Many differences in judgment are organizationally grounded. Individuals have separate responsibilities which require them to focus on different issues and thus encourage differences in what each sees and judges to be important. The President and Congress create organizations to pay special attention to some aspect of a problem. Over time—and not much time is required—these organizations develop goals and interests of their own related to their definition of their problem. Thus, organizations' reactions to problems reflect organizational priorities and perspectives as well as the purposes for which the organizations were created.
- Given the fact of substantial differences among the participants who make choices about the use of force, such choices must emerge from what is to some extent a bargaining process in which different individuals, institutions, and substantive views are differentially advantaged and disadvantaged.

[17]For a brief review of further instances where availability of response capability seems to have affected U.S. decisions to intervene or not to intervene (Dienbienphu, Korea, Bay of Pigs, Vietnam), see the complete case.

If one accepts this rough characterization of the process, then the selection of a weapons system that creates a new capability can importantly affect probabilities of actions. Capabilities can affect apparent costs and risks of the use of military force; the existence of a capability can affect politicians' interpretations of national interests, commitments, and defense policies; capabilities can affect the advantages and disadvantages of contending officials within a government. Capabilities can create temptations. While an issue like FDL should not be decided apart from judgments about deployment strategies and calculations about economic costs, the choice cannot be made reasonably without attention to its effect on the balance of forces within the U.S. Government on questions of use.

In contrast with PPBS, the core of Russell's alternative approach to weapons selection is: *first,* conception of the central problem as that of structuring the processes of the U.S. Government so as to increase the probability of the preferred decisions and actions about the use of military force; and *second,* definition of that problem as a primarily managerial job in which existing processes consist of numbers of largely autonomous and intractable individuals and institutions; each participant's ability to affect the behavior of other individuals and institutions is quite limited; fine tuning of these processes is therefore infeasible—and highly refined analyses that require fine tuning are thus unnecessary and even unhelpful; changing the process is essentially a matter of gross adjustment; and choices about ready military capabilities are one important means of making gross adjustments.

Taking Russell's approach seriously points to some strong conclusions about considerations that should bear on the acquisition of weapons and about how the government might be organized to focus on those considerations:

1. *We must recognize the fact that creating some kinds of military capabilities affects decisions about the use of force, and we must find ways of including this fact in choices about such weapons systems.*

Not all weapons systems create new capabilities or perceptibly affect costs and risks of action. For those that do, however, Russell's range of considerations cannot be denied. Choices about such weapon systems inevitably involve hard trade-offs among a number of competing objectives: (a) the deterrent—and interaction—effect of the particular capability; (b) the defense utility of the capability; (c) economic costs of the capability; and (d) effects of the capability on probabilities of use. Objective (d) is the most difficult to calculate and seems essentially incommensurate with the others. People's judgments about each of the clusters of considerations will differ.

2. *When, for reasons of deterrence or defense or cost-*

effectiveness, it seems wise to create military capabilities that do have added, independent effects on probabilities of use, we must find ways of posting warning signs about these effects, and, where possible, of creating countervailing pressures.

Denials of the impact of capabilities on decisions have obscured the few precautionary clues that were available. In the late 1950's and early 1960's, civilian strategies concentrated on the problem of alternatives to massive nuclear retaliation. Consequently, they advocated a substantial buildup of conventional forces. As the Kennedy Administration expanded ready conventional capabilities, Defense Department analysts planned an array of conventional options that would permit the President to meet contingencies without having to rely on nuclear weapons. No one put forward hard analyses of the wider effects of these capabilities and plans —illustrating once more the way in which the general weakness of State Department analysis, as compared to Defense analysis, meant a further predominance of military over political considerations within the U.S. Government. It is perhaps too much to hope that far-sighted White House staff could have commissioned careful examinations of recent cases that might have made vivid to the President and other major officials the probable secondary effects of the chosen course. In the climate of the times, that would have seemed a hopelessly abstract academic exercise. Indeed, if anyone had bothered to search the products of academe, he would have found no detailed analyses of specific ways in which capabilities can affect official expectations, contingency plans, military and diplomatic estimates, advisors' recommendations, and in the end, Presidential decisions.

What about countervailing pressures? If the creation of a ready military option brings with it professionals, both military and civilian, commissioned to search for contingencies in which that option can be exercised, and committed to finding ways of meeting contingencies successfully, a minimum counterweight would be proportional increases in the ability of independent sources to assess the need for and effectiveness of that option. Unfortunately, conventional capabilities and intelligence estimates were regarded as entirely separate problems. Central Intelligence Agency estimates of threats were available—and in retrospect, quite respectable. There existed no independent analysis of military operations though, in retrospect, the military professionals' predictions get higher marks than do the bets of civilian professionals involved in the process. No one familiar with the unfolding of U.S. choices in Vietnam, however, can underestimate the importance of more systematic analysis of proposed uses of American forces, more careful projection of enemy reactions, and an attempt to consider the consequences if less favorable projections turn out to be right. *The absence of competing sources of information and assessment, both about likelihoods in situations where military intervention is contemplated and about military performance, estimates, and requirements, remains the major gap in U.S. military posture.*

3. *Additional and more thorough Congressional review of defense proposals is essential.* Based on past performance on defense issues the Senate appears to be more zealous than the House in its scrutiny of defense policy. More importantly, the Senate has an established interest in and constitutional authority over foreign policy issues and can bring this background to bear on defense problems, thus integrating consideration of two traditionally separate areas. A major encumbrance to such a reform is the committee system whose structure reinforces the separation of interfacing problems. The current move toward committee reform is a hopeful sign as are the initiatives which were taken by the Senate Foreign Relations Committee in holding hearings on ABM and other strategic topics. Recognition of the need for integration may be within sight. The recent Congressional election has provided an infusion of new blood for both Houses. This, in addition to the current atmosphere of Congressional revitalization, may serve as a catalyst for change. Realistically, change in Congressional review of defense issues will have to be part of a larger Congressional reform movement.

3a. *Supporting Staff.* Additional scrutiny by either or both Houses would require additional staff, not political appointees in the legislative aide category, but specialists in the areas of defense and foreign policy who understand and are capable of communicating their understanding of increasingly technical and complex problems. The Committee for Economic Development in its most recent policy statement, *Congressional Decision Making for National Security* (September 1974) has ambitiously proposed the establishement of a Congressional Institute of Research and Evaluation, a body which could provide a core of expertise to Congress. As a means of institutionalizing longer-run policy research and analysis, this seems a plausible solution. Staff personnel, whatever their number, will be absorbed in immediate problems.

3b. *Access to Classified Information.* Although members of the Armed Services and Appropriations Committees have access to the classified information they want and need, the larger problem of control over classified information remains. Under existing laws, the Congress is dependent on the Executive branch for receiving clearances. A recommendation by the Committee for Economic Development proposes that the Congress legislate to itself authority to provide its members and staff with access to classified information. This seems eminently sensible and necessary, if Congress is to

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assume greater initiative in the area of defense spending. The procedure would provide several committees or their chairmen with authority for granting clearances following appropriate investigations by the FBI or another agency.

III. EVALUATION OF U.S. GOVERNMENT PERFORMANCE

A. *A Reasoned Conception of U.S. Objectives Was Present:* good.

The Systems Analysis airlift/sealift study devoted considerable effort to clarifying mobility objectives, concluding the primary objective was "having the ability to deploy forces rapidly to reinforce Allied and U.S. forces in overseas theaters." At the same time OSD, denied a conflict between this objective and higher-order conclusions about the desirability of using force—arguably dissolving a two-value trade-off.

B. *The Best Obtainable Information Relevant to the Decision Was Made Available:* good-to-fair.

The airlift/sealift study brought to bear more information on the FDL decision than is available for most weapons decisions. (Typically, information is confined to technical characteristics of the weapons rather than overall force mixes.) Information was far from perfect, however, e.g. would OSD have drawn the same conclusions had it estimated the true cost of the C-5A? Nor was information or analysis available about Russell's factor: the impact of available capabilities on use.

C. *The Implications Flowing From the Information Were Effectively Canvassed:* poor.

Clearly, OSD underestimated Congressional resistance to conclusions OSD drew from the study. Had OSD correctly gauged this opposition, they might have made different (presumably lower-profile) recommendations. OSD neglected implications that Senator Russell's intervention forced to the fore.

D. *A Full Range of Alternatives Was Considered:* fair.

The study seems to have presented OSD with a rich array of alternatives. Once OSD chose, however, Congress was left not with a range of alternatives but rather with a single yes-no choice.

E. *A Full Range of Relevant Considerations Was Applied:* good.

For once a rarely applied, but important consideration, the effect of capabilities on the probability of use, figured in the FDL decision. Had OSD (as well as Congress) applied this consideration, without necessarily drawing the same conclusion, the grade would be higher.

F. *All Appropriate Participants Were Consulted:* fair.

The case does not state so explicitly, but it appears Systems Analysis did not consult foreign policy agencies, State, NSC, even ISA, in making its recommendation. If Russell's view concerning the effect of capabilities on probability of use is true, this was an important omission.

G. *The Decision Was Taken at the Lowest Level Possible:* excellent.

Appropriately a cabinet-level, Congressional-level decision.

H,I,J. *The Decision Was Clearly Communicated to Those Responsible/The Actions of the Responsible Officials Were Monitored/The Results of the Decision Were Noted and Assessed:* excellent.

No evidence in the case of any problem here.

K. *The Resources Committed to the Action Were Commensurate with the Task:* excellent.

A major weapons decision prompted an appropriately elaborate study.

L. *The Decision Process Was as Public as Was Consistent with Its Nature:* no grade.

Reasonable people can differ as to the degree of openness permissible for non-strategic, non-nuclear weapons analyses. McNamara compromised by publishing part of the airlift/sealift study in Congressional hearings, leaving the logic but omitting the real numbers for public consumption.

M. *The Decision Was Broadly Consistent with the Public's Sense of U.S. Interests:* good.

At the time of the Congressional rejection, a substantial segment of the public must have concurred with Russell's skepticism of creating too much ready-response capability.

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Smart Bombs

Based on a case by Frederic A. Morris

In 1972, eight planes equipped with laser-guided bombs did the work of the U.S. Air Force. Indeed, these eight aircraft did the work which the U.S. Air Force and Navy combined had been unable to do previously. From 1965 until the bombing halt of 1968, the bridge complex at Thanh Hoa had been unsuccessfully attacked by 600 American sorties (a sortie being a single attack by a single aircraft). This effort cost the U.S. 12 aircraft (replacement cost: $60 million) and over $5 million in operating expenses.[1] On resumption of the bombing in 1972, eight aircraft carrying laser-guided bombs knocked out the bridge in a single mission. Air Force Secretary Robert C. Seamans, Jr., actually understated the breakthrough: "One tactical fighter can now accomplish what 25 might have done in the past."

The U.S. had first developed "smart bombs" during World War II. U.S. aircraft successfully employed them in the Mediterranean and Burma theaters, and later in the Korean conflict. From Korea to the mid-1960's these munitions disappeared from the development agenda. They were rediscovered with the onset of the Vietnam War. Deployment, however, took time. After its developers demonstrated the laser-guided bomb's operational feasibility in 1966, six years passed before the system was employed with any frequency in Vietnam.

Through the bombing halt of March, 1968, the U.S. had flown 294,000 fighter-bomber sorties over North Vietnam,[2] losing 922 planes [3] and numerous pilots—pilots that became Hanoi's principal pawn in negotiations for U.S. extrication from Vietnam and a principal Administration justification for continued involvement. Precision-guided munitions could have provided greater accuracy, greater cost-effectiveness, fewer losses, and fewer civilian casualties.

Failure to develop, adopt, assimilate, and employ precision-guided munitions is a tragic, but classic, example of how organizations respond to threatening technology. This case not only explores this particular instance, but illustrates the problem faced by U.S. general purpose forces as they confront currently rapid technological change.

I. OVERVIEW

Precision-guided munitions date from World War II. Working for the Navy, the National Defense Research Committee (NDRC) developed two radar-guided glide bombs, Pelican and Bat, and a television-guided glide bomb, Robin.[4] Only Bat saw actual combat. Employed first at Borneo in 1945, it destroyed a sizable tonnage of Japanese shipping during the closing days of the war. The first free fall precision guided munitions, Azon and Razon, were deployed by the Air Force during the same period. Azon consisted of a standard 500 pound bomb equipped with radar, heat, or TV guidance systems. At first Army Air Force operations balked at the use of Azon, arguing that "the bomb had not yet been *proved* to improve accuracy of bombing, but *could* be proved to increase the risk of the plane crew due to continuation of the bombing run until impact." [5] When tests showed Azon-equipped bombs twenty-nine times as accurate as unguided bombs this resistance faded. When first deployed in the Mediterranean Theater in April, 1944, Azon

> was effective there against transportation links of the enemy forces which were resisting the Fifth Army's advance in the Italian Peninsula. In particular, the Avisio Viaduct south of the Brenner Pass was closed by Azon. Other successful operations with Azon against the locks of the Iron Gate on the Danube led to the acceleration of Azon production.[6]

Despite its success in the Mediterranean Azon rated so poorly in Europe that the program was cancelled

[1]Based on an average fighter-bomber cost of $8,500/sortie. Raphael Littauer and Norman Uphoff, eds., *Air War in Indochina* (Boston: Beacon Press, 1972), p. 235.

[2]*Ibid.*, p. 274.

[3]*Ibid.*, p. 283.

[4]This case, however, focuses on free fall ordnance, not its sisters, air-to-surface missiles and glide bombs.

[5]James Phinney Baxter 3rd, *Scientists Against Time* (Boston: Little, Brown and Company: 1946), p. 198.

[6]NDRC, *Guided Missiles and Techniques*, p. 2.

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in 1944. The NDRC has speculated that the low rating may have stemmed from the practice of evaluating bombing efficiency on the basis of tons dropped rather than targets destroyed. Azon was called back into service by commanders in the Burma-China theater during 1945:

> Because of Allied attacks on Japanese shipping, a large part of the supplies for the Imperial forces in Burma had to be routed east of the Malay Peninsula to Bangkok and thence by rail from Bangkok to Moulmein and Rangoon and thence north to Lashio, behind the north Burma front, or Prone, behind the Arakan front. The bridges on these vital rail lines had been frequently attacked by fighter-bombers and by medium and heavy bombers with little effect, for bridges defended by flak are very difficult targets. When Azons were installed in the 493rd Squadron of the 7th Bomb Group for use against these bridges, there had been a good deal of skepticism, but it vanished after the first mission on December 27. The target was a three-span steel railway bridge, 380 feet long, at Pyinmana, on the line between Rangoon and Mandalay, which had survived numerous bombing raids during the previous two years. Three planes carried four Azons and four standard bombs each and dropped one of each on three passes, all at 9,300 feet. The standard bombs all missed, but the center span of the bridge was destroyed and another span damaged with the expenditure of only nine Azons. During the period December 27, 1944, through March 3, 1945, the 7th Bomb Group expended 459 Azon bombs and destroyed 27 bridges. Ten to fifteen per cent of these controlled bombs scored direct hits. It is small wonder, after these brilliant successes, that plans were under way for larger use of Azon in China when the war ended.[7]

An improved version of Azon called Razon was developed and produced at the very end of World War II. When the Korean conflict began, the Air Force hauled out a number of Razons and used them against bridges in an attempt to interdict enemy supply lines. Because of deterioration of the weapons during storage since 1945 as well as inadequate crew training, first use of Razon did not yield spectacular success. Eventually these obstacles were overcome and Razon began to do an acceptable job. Nonetheless, Razon was abandoned by 1951 because of its low destruction capability (the bomb weighed only 1000 pounds).

In 1950, the Air Force developed a larger (12,000 pound) version of Razon called Tarzon. Tarzon-equipped bombs were employed with some success in early 1951, but in August the Far Eastern Air Force Bomber Command recommended discontinuing use of all precision-guided bombs, citing lack of appropriate targets and danger to pilots. The official U.S. Air Force history of the Korean intervention suggests that the Command's evaluation was not entirely correct:

> Because of tactical considerations the Tarzon and Razon bombs had been permitted only a limited test in Korea. Actually, the missiles had shown reasonable and improving reliability: of 28 Tarzon bombs dropped in combat, 12 of them had been controllable for a 43 per cent reliability and 7 of them had destroyed their target. When good material was used, the accuracy of Razon bombing from 14,000 feet was similar to the accuracy of B-26's visual bombing from 2,000 feet. The accuracy of Tarzon was slightly superior to that of Razon. The Razon project officer maintained at the termination of the project that he could "prove that one guided bomb is worth one thousand conventional bombs against 'line targets'—bridges, etc." [8]

Despite the clear potential of precision-guided munitions, development—to say nothing of deployment—stagnated in the 1950's. Parallel technologies found their way into air-to-air missiles (the Navy's Sidewinder and Sparrow, the Air Force's Falcon) and one air-to-surface missile (the Navy's Bullpup). The Naval Ordnance Test Station at China Lake, California, did some experiments and convinced itself that an electro-optically guided bomb was feasible in 1958. Internal development began but the idea got lost in the requirements generation pipeline. As a practical matter, guided free fall ordanance was entirely ignored along with the entire problem of conventional bombing accuracy. During the Berlin crisis of 1960–61, when SACEUR General Lauris Norstad asked an officer at SHAPE to review battle plans should the U.S. choose to act, the officer had to report tactical accuracy so poor as to give the U.S. no real non-nuclear capability. During the Cuban missile crisis, when President Kennedy probed the possibility of removing the missiles with a surgical air strike, TAC Commander Walter C. Sweeney states the Air Force could guarantee only ninety per cent effectiveness.[9]

The low priority accorded tactical bombing accuracy reflects the Eisenhower Administration's reliance on nuclear weapons. However, even after Robert McNamara announced President Kennedy's determination to strengthen limited war capabilities, accuracy continued to escape attention. Then around 1964 the Vietnam War began to exert pressures on the weapons process. Partly because military hardware had not caught up with McNamara's

[7] Baxter, *op. cit.*, p. 199.

[8] *U.S. Air Force Operations in the Korean Conflict*, p. 142.

[9] The estimate was probably unduly pessimistic.

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conventional response doctrine and partly because the war in Vietnam diverged sharply from the sort of war McNamara was preparing to be able to fight in Europe, American weapons began to appear inappropriate to the war effort. In response, the Defense Department created various *ad hoc* mechanisms to generate new technology for use in Southeast Asia.

In 1964, Lieutenant General James Ferguson, Deputy Chief of Staff for R&D, Hq USAF, suggested one such program to General Bernard Schriever, Commander of the Air Force Systems Command (AFSC). Ferguson envisioned a small research group operating under AFSC's Aeronautical Systems Division (ASD). Reluctantly, Schriever acquiesced. In July 1964, the Directorate of Technical Assistance and Support—"Detachment 5," for short—was established. Stationed at Eglin Air Force Base under ASD's Deputy for Limited War, Detachment 5's charter called for

> AFSC resident technical assistance and support to the commanders of the Tactical Air and Special Warfare Centers. Specifically the directorate was to improve the System Command's response to immediate tactical operational needs, and identify the technological level required for future missions.[10]

Commanding Detachment 5 was Colonel Joseph Davis who had previously been a reconnaissance pilot in World War II, a fighter pilot in Korea, and Chief of the Air Force's Operational Readiness Inspection team in Europe.

Laser guidance was brought to Davis's attention by engineers from the U.S. Army Missile Command (MiCom). MiCom had begun laser technology to guidance for anti-tank weapons around 1960. These efforts met with success, but in 1965 the Army curtailed the project's funding because the North Vietnamese fielded no tanks. Left without a patron, MiCom approached Detachment 5. Davis quickly became interested in applying laser guidance to free fall ordnance. Through the Deputy for Limited War, ASD, he issued feasibility prototype contracts to Texas Instruments (TI) and the Autonetics Division of North American Aviation (NA-A) for laser seeker units compatible with the M-117, the Air Force's standard 750 pound bomb.

The two contractors tried alternative approaches. The more conservative NA-A design required the pilot to employ special delivery tactics, including a launch sequence of at least ten seconds, presumably exposing the aircraft to prolonged ground fire. The technically more adventurous TI design allowed the aircraft to deliver the bomb using standard tactics. By mid-1966 the testing of prototypes began at Eglin under the Air Proving Ground Center (APGC). (Detachment 5 had dissolved in an ASD reorganization, but Colonel Davis became Director of Testing, and later Vice Commander, of APGC.) By the end of 1966, both TI and NA-A had demonstrated the feasibility of their weapons. The project was then transferred from the Deputy for Limited War, ASD, to Hq USAF and Hq AFSC for further action.

By this time, Vietnam had begun to impact more directly on the details of the weapons acquisition process. It was now common for research personnel to advise operational commands in Southeast Asia of newly available technology and sometimes even to prepare draft Southeast Asia Operational Requirements (SEAOR) for issue by commanders in the field. Major General Charles Terhune, the Commander of ASD, recommended drafting a laser guidance SEAOR and sending it to the 7th Air Force for consideration. By March, 1967, ASD had prepared a draft SEAOR and had personally delivered it to the Commander of the 7th Air Force in Vietnam.

Despite serious doubts about laser guidance, the 7th Air Force submitted SEAOR 100 to Hq USAF (the Air Staff) and AFSC (ASD) in March, 1967. SEAOR 100 emphasized the need for improving bombing accuracy and suggested laser guidance as a promising solution. This recommendation struck a resonant chord in the operations side of the Air Staff, which had become increasingly concerned with accuracy limitations. These officers were stinging from McNamara's reluctance to grant additional targets in Vietnam because, as he observed, the Air Force seemed incapable of destroying those already allocated. In May, 1967, the Air Force awarded TI an engineering prototype contract.

In June, 1967, personnel from Hq AFSC, ASD, the Air Force Armament Laboratory, and the Tactical Air Warfare Center briefed members of the Air Staff, outlining three alternatives for laser-guided bomb production: (a) minimum risk, delayed operational date; (b) medium risk, early operational date; (c) maximum risk, earliest operational date. Major General Andrew Evans, Director of Development, DSC/R&D, Hq. USAF, chose option (b). The laser-guided bomb was assigned an extremely high funding priority.

At this point a controversy brewed within the Air Staff. The research section, particularly General Evans, argued strongly for procuring and using laser-guided bombs. Despite growing concern over accuracy, the operations section harbored doubts. Operations officers noted that a plane had to loiter over the target while it provided the laser illumination necessary to activate the bomb's seeker unit and direct the bomb to its target, exposing pilots to

[10]Quoted in deLeon, "The Laser-Guided Bomb: Case History of a Development" (Santa Monica: The Rand Corporation, R-1312-1-PR, June, 1974), p. 8.

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the danger of anti-aircraft fire. In contrast, electro-optical- and infrared-guided bombs promised a "launch-and-leave" capability. Major General George Simler, in DCS/Plans and Operations advocated an electro-optical unit. General Gabriel Disosway, Commander of TAC, supported the infrared approach. As a result, in July, 1967, the Air Force Chief of Staff directed AFSC to prepare technical development plans including electro-optical and infrared, as well as laser, guidance. On July 20 AFSC formed Project Paveway to direct all precision-guided bomb developments within ASD. On the recommendation of Assistant Secretary of the Air Force for R&D, Alexander Flax (who assigned laser guidance top priority), the Chief of Staff directed Hq AFSC to consider each mode of guidance a separate, but related, development program. In September, 1967, Hq USAF issued the Requirements Action Directive (R.A.D.) listing the desired performance characteristics of all precision-guided bombs: CEP $\leq$ 25 feet; compatible with F-4, F-111 (F-111 compatibility later dropped); guidance reliability $\geq$ 80 per cent; delivery from either dive or level run; and operational deployment no later than June, 1968.[11]

In November, 1967, the TI laser-guided bomb began engineering prototype tests at Eglin using both the M-117 and the MK-84. The same TAC pilots who would later evaluate the system in Southeast Asia took part in the Eglin tests and began evolving tactics for their use. Early OT&E results prompted TI to correct small technical problems with wiring and multiple reflection. By the end of the year the Operations Analysis Office, Hq USAF, was able to use data from the Eglin tests to demonstrate that the laser-guided bomb was more cost-effective than unguided ordnance (in targets destroyed per dollar) and required fewer sorties for twenty-three out of twenty-five target categories (the exceptions: a rifle company in South Vietnam and revetted aircraft in North Vietnam). Production began at the rate of about 100 guidance kits per month in late 1967. On January 15, 1968, Hq USAF issued Development Directive Number 69, approving a production program of $4.7 million to build 293 seeker kits in FY 1968. This figure fell far short of the budget option selected by the Air Force the previous July.

Recommendations that the Air Force commit itself more strongly to the use of smart bombs fell on deaf ears. In September, 1966, McNamara persuaded Congress to create the Defense Communications Planning Group. Yet another response to Vietnam, the DCPG reported directly to the Secretary of Defense. DCPG commanded the formal authority to direct the military departments to carry out R&D and other support activities and was in direct contact with field commanders in Southeast Asia. Its budget amounted to about $600 million per year. Although the DCPG's original mandate called for creation of the "McNamara line" through implementation of good ideas conceived elsewhere, the organization expanded its activities to general exploration of innovative weapons technology for application in Vietnam. In 1967, the DCPG head, Air Force General John Lavelle, tried to sell the Air Force on an extensive smart bombs program on the order of 3,000 per month. The Air Force, through General Simler, rejected the suggestion out of hand. Simler explained that OSD sized the Air Force munitions budget on the basis of tonnage dropped. The DCPG proposal carried ominous budgetary implications given this practice. The accuracy and cost of smart bombs would mean a reduction in tonnage dropped, and presumably fewer dollars from OSD.

Meanwhile testing and crew training continued into 1968. In April, theater evaluation began out of Ubon Air Force Base, Thailand. The system underwent modification throughout 1968, with final testing completed in 1969.

Concurrently, the complexion of the air war in Vietnam changed. President Johnson ordered a halt to the bombing of the North above the 20th parallel in March, 1968, and a halt to all bombing of the North in November, 1968. The force of the air war scarcely diminished, however; mainly it shifted.[12] The bombing now focused on the interdiction of supply trails running through Laos and Cambodia into South Vietnam and on the interdiction, close support, and harassment missions in the South. Although smart bombs were now available, they were not used extensively in this effort. According to Dr. Flax, those that were employed did an effective job:

> As the focus of the air war shifted to the network of supply trails meandering down through Laos and Cambodia, pilots found during late 1969 and early 1970 that the new smart bombs were superbly adept at hitting trucks and small targets.[13]

Texas Instruments continued to produce laser guidance kits at the rate of about 100 per month. On a trip to Southeast Asia in 1968, Air Force Secretary Harold Brown offered to "sell the Secretary of Defense" on increasing production to 600 per month—this at a time when the U.S. was flying nearly 20,000 fighter-bomber sorties per month. Generals Brown and Clay politely declined. Indeed,

[11]In the next year and a half, North American-Columbus adapted to the MK-84 bomb the electro-optical guidance system it had developed for the abandoned Air Force Hornet anti-tank surface-to-air missile. Called Hobo, this system was successfully field-tested in 1969. North American-Columbus also landed the infrared guidance contract for which it adapted the Falcon air-to-air missile seeker unit.

[12]See *The Air War in Indochina, op. cit.*, p. 281.

[13]Quoted in the *Washington Star*.

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through 1971, the 7th Air Force commanders in Vietnam made no requests for increased production. Few smart bombs were used. Reportedly, the 7th Air Force held the attitude, "Let's see how we do with 100 per month," and asserted that the lack of high-value point targets outside Vietnam made smart bombs cost-ineffective.

Their logic was bizarre. The standard argument held that it was wasteful to expend a $3,000 bomb on a $1,000 truck. This analysis ignored the obvious point that spending ten $1,000 bombs on the same target was even worse—and the only slightly subtler proposition that the replacement cost of a target bears no necessary relation to the value of destroying it.

General Lavelle assumed command of the 7th Air Force in 1971. Retaining his conviction that smart bombs were cost-effective on a wide variety of targets, he requested an increase in production. Acting through General Clay at PACAF and through the Deputy Chief of Staff, Air Force Logistics, he obtained production of 300–400 per month. Lavelle himself tried the weapons against interdiction targets. In his view, bad weather, night travel, and camouflage made supply trucks less vulnerable to smart bombs than he had previously believed, but in appropriate circumstances the new weapons did very well. In particular, bridges, roadcuts, caves, and exposed trucks all fell to Lavelle's pilots using smart bombs. In spring, 1972, with the resumption of the air war over the North, the Air Force used smart bombs extensively and with dramatic success. Operation Linebacker knocked out bridges and other targets that eluded the ROLLING THUNDER campaign of 1965–68.[14] A Texas Instruments computer simulation of January, 1972, estimated that nearly 21,000 unguided, manually released 2,000 pound bombs would be needed to destroy 100 representative targets, compared with 4,000 computer-released bombs, or 100 laser-guided bombs.

II. ANALYSIS: IMPACT OF ORGANIZATIONAL ARRANGEMENTS ON U.S. DECISIONS AND ACTIONS

Organizational arrangements significantly affected outcomes at four critical junctures:

- The hiatus in smart bomb development, 1950–64.
- The initiation of smart bomb development in 1965.
- The limited use of smart bombs in Southeast Asia, 1967–72.
- The enthusiastic adoption of smart bombs in 1972.

[14]For discussion of this campaign, see the case "Bombing North Vietnam" in Volume VI, Conducting Military Operations.

1950–64: Hiatus in Smart Bomb Development

A. What Interests/Considerations Were Introduced in the Policy Process?

Through most of the 1950's, Massive Retaliation (and its programmatic counterpart, the New Look) was the official U.S. military strategy. The nation placed overwhelming emphasis on the capability to fight nuclear war. Reflecting this emphasis, generals of the Strategic Air Command (SAC) dominated the Air Force. As a result, not only did the Tactical Air Command (TAC) have to work with very tight budgets; TAC generals were in a poor position to influence Air Force priorities. Instead, they adapted TAC to those priorities. What TAC did not spend on nuclear interdiction and air superiority it spent on air defense—the three roles TAC could claim for itself within the nuclear warfighting posture. Since TAC doctrine did not include a serious conventional war capability, TAC's failure to generate a requirement for improving accuracy is unsurprising. (Accuracy was then considered mostly irrelevant to the delivery of nuclear weapons.)

B. How Did Organizational Arrangements Affect the Information Available?

Even had there existed plentiful information showing unequivocally that tactical bombing accuracy was poor, it seems unlikely anyone would have responded. Nonetheless, no one was generating such information. TAC training and operational testing emphasized nuclear interdiction. Bombing accuracy did not figure prominently in these activities. Had there existed a separate organization for evaluating U.S. capabilities under a variety of scenarios, or a military subunit charged with maintaining a conventional capability, the outcome might have been different.

C. How Did Organizational Arrangements Affect the Alternatives Considered?

For most of these years the Air Force lacked a development agency likely to pay much attention to the problem on its own. Early in the 1950's the Air Force had created the Armament Development Test Center at Eglin Field to oversee munitions development. Under the influence of massive retaliation, the ADTC scaled down to the point of oblivion during 1958–63. The Air Force bought its munitions from the Army, which had no incentive to innovate on behalf of its sister service. *Guided* munitions came under the purview of the

Aeronautical Systems Division at Wright-Patterson Air Force Base. ASD's immediate activities involved aircraft and missile development. Absent outside pressure, it was unlikely to turn to this purely paper responsibility.

1965: Initiation of Laser-Guided Bomb Development

A. What Interests/Considerations Were Introduced in the Policy Process?

McNamara's policy of creating a flexible response capability and the more immediate pressures of the Vietnam War drastically altered the climate in which ordnance was developed. If these factors did not compel munitions innovation, they certainly eased the task. Within this environment, appropriately situated and inclined individuals exercised critical influence. Free to look at virtually anything he found interesting, Colonel Davis hit upon laser guidance. The newness of Detachment 5, the spunk of its commander, and its inconspicuous stance within the Air Force allowed the organization to pursue the path he chose with relatively few constraints.

B. How Did Organizational Arrangements Affect the Information Available?

With the start of hostilities in Vietnam, TAC received unequivocal information as to the quality of its tactical bombing accuracy. If training and test routines had previously buried this information, the realities of combat now revealed it vividly. TAC could not be unaware of the new data: McNamara refused to expand TAC's target list in large part because of the dismal record poor accuracy had created.

C. How Did Organizational Arrangements Affect the Alternatives Considered?

The creation of Detachment 5 effectively finessed the Aeronautical System Division's monopoly on guided ordnance. Although Detachment 5 nominally reported to ASD at Wright-Patterson it was physically located at Eglin Field, largely out of ASD's field of vision. This autonomy gave Detachment 5 a freedom it could put to good advantage. Whereas ASD, as a mainline development organization, responded to requirements generated in the Air Force operational commands, Detachment 5's charter called for pursuit of its own ideas. Detachment 5 did not have to wait for TAC to come banging on its door.

D. How Did Organizational Arrangements Affect Implementation?

Because Detachment 5 was a low-profile, low-budget organization, it could conduct without resistance a development that might have bogged down in the regular development process. (One source reports that the Navy's electro-optical bomb met this fate.) Indeed, Detachment 5 developed prototypes and proved the weapon's feasibility (in 1966) before a formal requirement was even issued (in 1967). Given the skepticism the laser-guided bomb encountered *after* it was proved feasible, the chances it would have reached development at all through regular channels seem slim.

E. What Impact Did Personnel Systems Have?

Unlike typical service program managers Colonel Davis was not simply rotating through Detachment 5 on his way from and to "real" operational commands that lay on the path to promotion. Detachment 5 provided Davis, experienced in both R&D and operations, a regular base *within* which to seek tenure and promotion. For the occupant of his position, innovation did not disrupt routine development processes in a way threatening to advancement. For the manager of Detachment 5, innovation promised advancement.

1967–71: Limited Use of Smart Bombs in Southeast Asia

A. What Interests/Considerations Were Introduced in the Policy Process?

As a practical matter, the commanders of the 7th Air Force controlled the extent to which smart bombs would be employed in Southeast Asia. Neither OSD nor the Air Staff was in a position to order greater use. Moreover, neither OSD nor the Air Staff (with the possible exception of its research people) *favored* greater use. The initiative rested in the theater. Nothing forced the theater commanders to seize that initiative. Until 1970 pilot and aircraft loss from interdiction did not pose a major problem. Targets were undefended. Indeed a special-purpose aircraft, the piston-powered "gunship," slow but capable of carrying numerous bombs, flew many of these missions precisely because no anti-aircraft fire threatened. This would change with the introduction of SAM's along the trails around 1970. The only reason to improve accuracy was to destroy more targets at current expenditures or to destroy the same number at less cost. In the absence of much stronger incentives, the theater commanders were unlikely to act on their own.

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Reinforcing their inertia, they appear to have had positive reservations. They expressed honest skepticism at the dramatic improvements promised by precision-guided munitions, even in the face of hard test results to the contrary. This reaction is not surprising. Early in the Vietnam War a great deal of technically innovative weaponry had found its way to the theater, where it proved to be ineffective. Smart bombs could be seen to fit this pattern. Even such distinguished military minds as Alfred Thayer Mahan have ignored or resisted weapons innovations of proven superiority.[15] Generals and admirals must bridge a "conceptual gap" between comfortable routines of the past and abruptly new ways of doing things. In the case of smart bombs it took time to close this gap, consisting of several key misconceptions. Operating officers did not immediately grasp the fallacy of the $3,000 bomb vs. $1,000 truck argument. (Neither did Systems Analysis.) And it took time for them to be convinced that the aircraft designating the target, which had to loiter until the bomb reached its target, could do so above the range of anti-aircraft fire. Some observers have argued that the motivations of the commanders lay in the fear that smart bombs would adversely affect force structure. If Seamans' assertion that one aircraft using smart bombs could do the work of twenty-five using conventional ordnance, goes the presumed argument, then why would OSD not reduce TAC's allocation of aircraft once smart bombs were deployed extensively? The importance of this reasoning is difficult to document. Further research is in progress.

B. How Did Organizational Arrangements Affect the Information Available?

Given the inertia of the relevant decision-makers, the mere existence of information about the effectiveness of smart bombs could not alone prompt action. To have had impact, the information would have had to *register* in a strong and unequivocal fashion. There were not enough pilots flying enough missions with the weapons for a sufficiently loud voice to emanate from those quarters. In normal circumstances, the development process would have created a large consensus within the Service substantiating the information provided by test results. In the case of smart bombs, no such consensus emerged because of the low-budget, low-profile character of the development. The effectiveness of the smart bomb did not become a "fact"—like POSEIDON's range, or the F-15's air-to-air capability—accepted throughout the developing service. Information about the utility of precision guidance scarcely distinguished itself from background noise. The generals could ignore it.

C. How Did Organizational Arrangements Affect the Alternatives Considered?

The discussion dealing with the first two time periods concerns the role of organizations in the availability of alternatives: smart bombs vs. dumb bombs. The key issue in 1969–71 becomes the *strength* of alternatives. The development of a major weapon through routine channels ordinarily creates a service consensus that makes such a weapon a strong alternative at the point of choice about use. Laser-guided bombs were a minor weapon developed through non-routine channels. Hence, little service pressure formed behind the weapon. The failure of OSD to attempt to cajole the Air Force into greater use is more puzzling. The omission is less bewildering from the perspective of Systems Analysis, the OSD subunit whose opinion would count. Systems Analysis stressed cost-effectiveness and openminded analysis, but SA was not without prejudice. Temperamentally, its analysts viewed with skepticism claims of technological breakthrough. They believed that most technical advances since World War II had offered little or no improvement in combat capability at great increases in cost. Smart bombs fit this pattern. In addition, Systems Analysis' techniques were not infallible. Early in the Vietnam War Systems Analysis evaluated bombing effectiveness on the basis of sorties flown. Later they revised the criterion to tons/sortie. By this benchmark, smart bombs would naturally fare badly. Achieving a given level of effectiveness measured in tons per sortie would entail much higher cost with smart bombs because a ton of smart bombs would cost several times the equivalent tonnage of ordinary munitions. Only with a revised standard—such as target value destroyed—would smart bombs come out on top. Although several participants have sworn that this picture is accurate, it is hard to imagine Systems Analysis being this naive. More likely, the cost-effectiveness argument provided a precisely formulated alternative to the less articulable but genuine doubts that smart bombs were better at destroying targets. Had Systems Analysis (or any other OSD subunit) had the actual capability to go out and test the weapons itself, OSD might have pushed harder for greater use.

D. How Did Organizational Arrangements Affect Implementation?

Given the decision to employ a limited number of smart bombs, the scarcity of designator aircraft (only four to six in all of Vietnam) impeded even

[15]See Elting Elmore Morison's study of the introduction of continuous-aim firing to the U.S. Navy, "Gunfire at Sea" in *Men, Machines, and Modern Times* (Cambridge: M.I.T. Press, 1966), pp. 17–44.

the limited effort. No organization was prompted to supply them. The 7th Air Force was indifferent to the problem, so its commanders did not force the issue. The Air Staff concerned itself with the development of an integrated designator system (requiring no designator plane) and could not be expected to supply a competing system. Designator aircraft were outside the purview of Detachment 5. Reflecting its earlier commitment to smart bombs and using its relative clout, the DCPG finally increased the number of designators to twelve—which acted as a stop-gap until the integrated system entered service.

E. What Impact Did Personnel Systems Have?

Tradition leaves detailed decisions about military operations to theater commanders. And as a practical matter neither service headquarters nor OSD can pose credible threats to theater commanders to do specific things. In this instance, neither organization wanted to exert such leverage in behalf of greater use of smart bombs. But even had their preferences differed, the personnel system did not operate so that threats of punishment or promise of reward could have significantly affected theater commanders' behavior.

1971 and After: More Extensive Use of Smart Bombs

One organizational arrangement—the wide latitude left field commanders—accounts for the increase in smart bomb use after 1971. When General John Lavelle assumed command of the 7th Air Force, a dedicated advocate of the weapon acquired a uniquely advantageous position to multiply its use. Lavelle had become attracted to smart bombs while head of the DCPG, had tried unsuccessfully to promote them within the Air Force, and now could act on his own. He had little difficulty getting and using more laser-guided bombs from 1971 on.

III. EVALUATION OF U.S. GOVERNMENT PERFORMANCE

This evaluation centers on the failure to use smart bombs extensively in Southeast Asia from 1967 to 1971.

A. *A Reasoned Conception of U.S. Objectives Was Present:* poor.

To the extent they were formulated at all, U.S. bombing objectives took the form of sorties flown and tonnage dropped per sortie—objectives, which if optimized subject to constraints, would not necessarily achieve combat effectiveness.

B. *The Best Obtainable Information Relevant to the Decision Was Made Available:* good.

After laser-guided bombs became available, information as to their effectiveness relative to conventional munitions was generally available.

C. *The Implications Flowing From the Information Were Effectively Canvassed:* poor.

The major implication of smart bombs testing—that greater use might improve the cost-effectiveness of interdiction bombing—went ignored from 1969 to 1971.

D. *A Full Range of Alternatives Was Considered:* fair.

By 1969 a rich array of munitions alternatives existed. Whether these alternatives were ever presented to operations commanders in compelling fashion, however, appears doubtful.

E. *A Full Range of Relevant Considerations Was Applied:* poor.

Had realistic cost-effectiveness criteria applied, smart bombs would have seen wider use earlier. Instead, OSD mainly considered ill-conceived prejudice as the technical risk and the 7th Air Force mainly "considered" (probably inexplicitly) disruptions of existing routines.

F. *All Appropriate Participants Were Consulted:* fair-to-poor.

Open-minded consultation with the PSAC Aircraft Panel and PSAC Vietnam Panel was clearly in order, as was greater consultation with pilots.

G. *The Decision Was Taken at the Lowest Level Possible:* fair.

In this case decision at either a higher level (Washington) or a lower level (wing commanders) might have produced a better outcome. Practically, however, this would have been difficult.

H,I,J. *The Decision Was Clearly Communicated to Those Responsible/The Actions of the Responsible Officials Were Monitored/The Results of the Decision Were Noted and Assessed:* poor.

The 7th Air Force commanders did not make explicit decisions. They resisted decision—and then failed to assess the results.

K. *The Resources Committed to the Action Were Commensurate With the Task:* poor.

The resources devoted to production always far underestimated the task—even after production increased.

L. *The Decision Process Was as Public as Was Consistent With Its Nature:* poor.

Outsiders had not even *heard* of smart bombs until their successful use against the North in 1972. More knowledge might have created useful external pressures.

M. *The Decision Was Broadly Consistent With the Public's Sense of U.S. Interests:* poor.

Assuming the public favored reduction of pilot losses and vigorous pursuit of the war effort, the outcome does badly.

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XM-1*

Based on a case by Arthur Alexander

In December 1971, Congress cancelled the Army's tank development program, the MBT-70/XM-803, begun in 1963 as a joint program with the Federal Republic of Germany. The cost, complexity, and sophistication of the new tank exceeded limits that Congress found acceptable. In cancelling the MBT-70/XM-803, however, Congress provided $20 million to initiate a new program to be held within certain cost and technical constraints.

For two decades, the Army had pursued a new tank. Cancellation of the MBT-70/XM-803 forced the Army's top leadership into considering the strategy by which a tank requirement could be generated that would meet the diverse needs of Congress, DOD, and the various elements within the Army. To achieve these needs, the Army established a Main Battle Tank Task Force in January, 1972 to develop the rationale for a new tank, its functional characteristics, and a plan for achieving the new system. The requirements generation function concentrated in this prestigious, elite group. The Task Force drew on a wide range of advice and criticism from throughout the Army. Besides providing information, this diversity of opinion served also to mobilize support for the new tank by drawing many individuals and organizations into the requirements process. The early analysis of the Task Force pointed to a tank between forty and fifty tons —one lighter, more mobile, and not much more expensive than a product-improved M60 projected for the late 1970's. The proliferation of antitank weapons against which heavy armor did not provide significantly greater protection than did lighter armor strongly influenced the initial choice. Shortly thereafter, the Task Force learned of a new armor material that yielded much greater protection than the old armor. The final Task Force report recommended a tank with the new armor to weigh no more than fifty tons. This weight was later increased to fifty-eight tons by an Army review council in the course of which the Chief of Staff, General Abrams, played a major role. The Office of the Secretary of Defense (OSD) approved the program in late 1972. This tank, the XM-1, is now in competitive prototype development with General Motors and Chrysler as the two contractors on the system. A decision as to whether to go on to full-scale engineering will be made in the summer of 1976.

This case examines the generation of the XM-1 requirement. In particular, it explores the novel roles assumed by Congress and by the Main Battle Tank Task Force in determining the tank's specific performance characteristics. Section I summarizes the major strands in the XM-1 story. Section II assesses the impact of organizational arrangements. Section III evaluates the Government's performance according to the Commission's checklist of elements of effectiveness.

I. OVERVIEW

Since the mid-1930's, the main battle tanks of the United States Army have undergone continuous product improvement and evolutionary development. The time pressures of war, the uncertainties and high costs of advanced technology, the availability of new and improved components, and the constraining influences of relatively small budget allocations [1] have all contributed to the incrementalism of this growth. As a result, the cost of tanks (in constant dollars) has grown by only four per cent per year since World War II, whereas the annual cost growth of other major systems has ranged from twelve to twenty per cent. The current main battle tank, the M-60A1, typifies this pattern. To produce the original M-60 in 1959, the gasoline

*This study could not have been prepared without the benefit of interviews with individuals from the following organizations: Assistant Secretary of the Army for R&D; Office of the Assistant Secretary of Defense (Systems Analysis); Office of the Director of Defense Research and Engineering; Main Battle Tank Task Force; and the XM-1 Project Office. Where specific references are not given in the text, the information has been obtained from the interviews. Helpful comments on earlier drafts were provided by Robert Coulam and Arnold Kanter.

[1] One forceful proponent of a new tank has noted that all Army R&D for ground vehicles amounted to only 2.5 per cent of the total Army R&D budget in 1973.

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engine of the M-48 was converted to a diesel, the hull was redesigned, and the ninety millimeter gun was replaced by a British 105 millimeter design. The M-60A1, introduced into service in the mid-1960's, featured a redesigned turret and improved gun control system.[2]

In 1963, Secretary of Defense Robert McNamara told the Army that the only way it could get a new tank was through a joint agreement program with the Federal Republic of Germany (FRG). A joint agreement signed in August, 1963, initiated the development program of the U.S.-FRG MBT-70. This agreement envisaged the "design of a tank from the drawing board up—a tank which would incorporate all possible technological advances." As the U.S. project manager put it, "for the first time in the history of modern tank design, the designers of the Main Battle Tank were given *carte blanche.*"[3]

Actual development work began in April, 1965, and the first prototype was running by July, 1967. The MBT-70 pushed the state of the art in virtually every subsystem and component. The management structure of the program created additional problems. A major roadblock involved differences in philosophy as to the use of armor.[4] Other difficulties emanated from the complex mode of decision-making which required unanimous agreement on most matters. By 1969, development costs and projected unit costs had skyrocketed, technical shortcomings plagued most subsystems, and the program had fallen behind schedule. Congressional unrest with the program intensified. In 1969, the House Appropriations Committee recommended termination of the joint development program and directed the Army to "design a tank with far less sophistication, a tank that can be produced at about a third of the cost now estimated for the current design."[5] At the end of the year, the joint program with the FRG was terminated. The U.S. program management structure was streamlined to continue the development efforts on a unilateral basis and the prime contractor, General Motors, was given full system responsibility. The program redirection also called for development of an "austere" version of the MBT-70—now called the XM-803. Despite high hopes for the redesign effort, costs continued to soar while performance failed to improve. As the Fiscal Year 1972 defense hearings began, the House Appropriations Committee rejected the Army's optimistic cost estimates and predicted a price tag of $850,000 to $1 million per tank. Warning that "the Committee is firmly convinced that no tank is worth that much money," the Congressmen charged that "the MBT-70/XM-803 is unnecessarily complex, excessively sophisticated, and too expensive." The Committee withdrew all funds from the Army's budget request.[6] In addition, the Committee provided $20 million for initiation of a new program. The new tank was to cost less, incorporate fewer extravagant features, and undergo competitive prototyping. Above all, the Committee emphasized that the designs "not be warmed over versions of the XM-803." Thus was born the XM-1.

The Army responded to the Congressional mandate by establishing a Main Battle Tank Task Force at Fort Knox in February, 1972. The Task Force was charged with producing a "Draft Proposed Materiel Need" with the following associated considerations: evaluate the need for a new tank to include the Initial Operating Capability (IOC) date; draft a Proposed Materiel Need Document;[7] prepare and outline a development schedule; and determine the proper interface with the M-60 series.[8]

In the following months, the Task Force was further directed to prepare a concept formulation package and a draft Development Concept Paper (DCP).[9] The Task Force received guidance from a Department of the Army MBT Steering Group composed of high Department officials.

The Director of the Task Force, Major General William Desobry, was commanding general of the

[2]Later models of the M-48 (M-48A3) carry the diesel engine; these models can be upgraded to the M-60A1 standard by replacing the turret. The total R&D cost to convert the M-48 to the M-60A1 was less than $3 million. (U.S., Congress, Senate, Committee on Armed Services, FY 1974 Authorization for Military Procurement, Part 4, p. 1988.)

[3]"MBT-70," *Armor*, November-December 1967, p. 5.

[4]The Germans thought that since antitank weapons could knock out most tanks, attempts to armor against them were not only useless, but led to vehicles that were too heavy and too immobile. They therefore wanted a lighter, less heavily armored, more mobile tank. The U.S. took into account the distribution of ranges, hit probabilities, and kill probabilities in their analysis which led to retention of armor and the heavier weight associated with it.

[5]U.S., Congress, House, Committee on Appropriations, FY 1971, *Report*. This cost requirement was equivalent to a unit cost of about $350,000 in 1970 prices.

[6]There is some evidence that Senator Stennis of the Senate Armed Services Committee had backed the MBT-70/XM-803 until this time, but then withdrew his support in the face of widespread Congressional opposition. Shortly after the program was killed, he told the Secretary of the Army and the Chief of Staff, "I told Mr. Packard and I think you, General, that I would stay with it [the MBT-70 program], you know, through fiscal year 1972, and I did. But I think the biggest thing was not only the length of time but also the enormous cost per unit." U.S., Congress, Senate, Committee on Armed Services, *FY 1973 Authorizations for Military Procurement*, pp. 1279–1280.

[7]The Materiel Need is the Army document that establishes a "requirement"—the official recognition of the need for a new operational capability.

[8]U.S. Army, Combat Developments Command, Main Battle Tank Task Force, Final Report, Part 1 (Executive Summary) (U), Confidential, p. 1.

[9]The DCP is a document which, when agreed to by the Office of the Secretary of Defense Research and Engineering (DDR&E), acts as a contract between the developers and the approving agencies.

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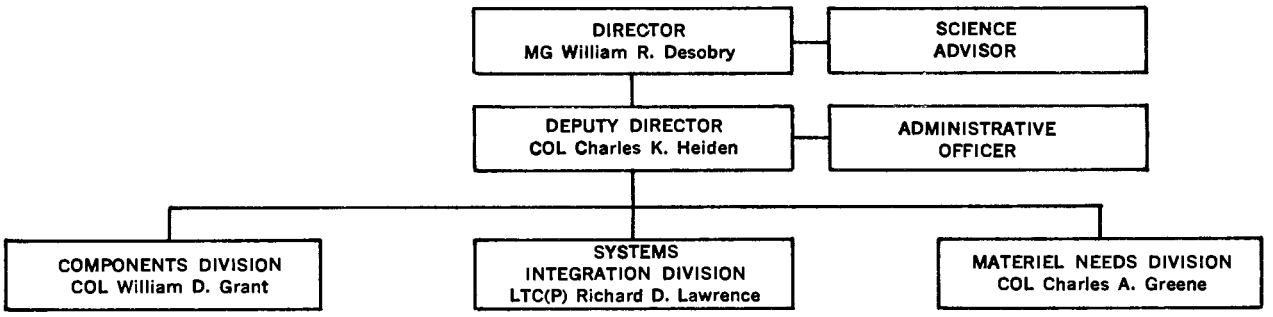
MAIN BATTLE TANK TASK FORCE



Armor Center and was recognized as a distinguished armor commander. His deputy on the Task Force, and the individual responsible for the day-to-day management, was Colonel Charles Heiden. Colonel Heiden had both operational experience in armor and R&D experience in the office of the Chief of Research and Development and in the development of many armor equipment projects, including the M-113 armored personnel carrier.[10] The Task Force Director was authorized to call on the best people in the Army to participate in the study. Overall, the personnel achieved a reputation for high quality.

The Task Force was organized into three divisions. The Components Division compiled a catalogue of tank components available from both U.S. and foreign sources. For insertion in the catalogue, a component could have no greater than "moderate risk" associated with it. "Moderate risk" meant that a component had actually been built and tested. The Systems Integration Division "assembled" more than eighty hypothetical tank configurations from these components and evaluated each configuration through computer simulation. About three approaches dominated the others and most subsequent analysis focused on the limited number. The Materiel Needs Division drafted the actual requirement.

Several constraints bound the deliberations of the Task Force. First, Congress had given explicit instructions to hold costs as low as possible. The Task Force interpreted this mandate to call for a price of roughly $500,000. Second, hearings on the MBT-70 underscored Congressional concern with the nine years it had taken to develop that tank. The Task Force wished to avoid a repeat performance and set six years as the time limit for the new development. Third, the Task Force sought to justify the program by providing a substantial rather than marginal increase in performance.

Since the Task Force had only about six months to complete its job, it relied heavily on previous written reports, tests, and analyses. The Task Force confined original research to promising but previously unexplored targets of opportunity. This practice led to intensive evaluation of a new high-risk, high-payoff armor material, as well as testing of other high-risk components such as engines and transmissions. Whenever possible, the Task Force sought the hard, physical data of "hands on" tests instead of paper studies.

Computerized models served two main functions —as analytical aids to the Task Force staff and as "objective" inputs to higher level Army and OSD deliberations. Many members of the Task Force considered the use of models appropriate so long as the assumptions, logic, and limitations were fully understood and kept in mind. The models were thought to be particularly effective in assessing the trade-offs among gross tank characteristics. Use of the models also buttressed subjective, judgmental, and inherently ambiguous analyses with the seemingly hard results of a computer printout. The exchange ratios between Soviet tanks and various U.S. designs and the cost-effectiveness figures of alternative configurations that appeared later in the Development Concept Paper emerged as outputs from the computer simulations. In fact, organizations and individuals with responsibility for overseeing and approving ("signing off") the new tank requirements often demanded these figures. Task Force principals found these analyses to be a useful device for communicating with outsiders, especially when their own personal recommendations were based on more judgmental foundations.

Several members of the Task Force emphasized General Desobry's search for outside advice and criticism. As commander of the Armor Center, he made much use of a group composed of the commanders of each of the functions at the Center. This Armor Center Team served as a "Board of Direc-

[10]The M-113 is the most widely used armored vehicle outside the Soviet bloc, with over 30,000 vehicles or derivatives manufactured. It is known throughout the world as a simple, rugged, light, inexpensive, all-purpose design vehicle. (See *Jane's*, p. 277.)

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tors" to the Task Force. Through a regular series of briefings and discussions, the Center Team brought a wide range of experience to bear. The Center Team acquired the reputation of providing some of the most cogent criticism and sharpest objections. As one of the Task Force principals later stated, "If we could get something past the Armor Center Team, we felt we would be able to support it anywhere else."

The Task Force sent a questionnaire to more than 600 individuals of all ranks who were associated with armor. One purpose of this questionnaire was to elicit information concerning the features of the new tank. Another, and perhaps more important, purpose was to disseminate knowledge of the new program and generate support through personal involvement. The information in the returned questionnaire, however, itself proved valuable. The one theme that received emphasis across the sample was the strong desire that the new design be reliable and easily maintainable.

The Task Force held a series of seminars for senior noncommissioned officers at Fort Knox during the later phases of their work. Again, the seminars served two functions—to elicit support and to generate information. Much of the information gained in this way was quite detailed—for example, the positioning of the sights, and the priorities as to who should be able to use them.

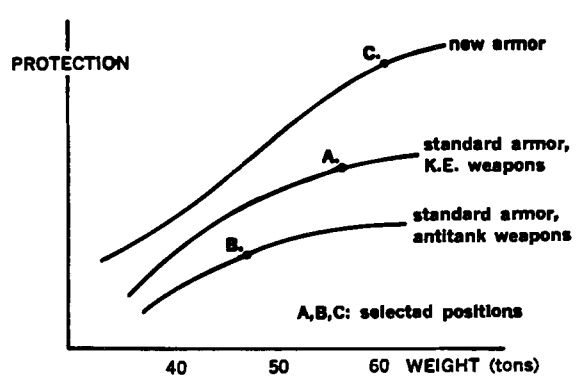
The Task Force did not neglect important organizations outside the Army. Individuals from DDR&E and Policy Planning and Evaluation (PP&E —the old Systems Analysis office) in OSD were invited to seminars from the beginning of the program. One of the Task Force division heads, Colonel Richard Lawrence, had served on the PP&E staff for several years before joining the Task Force.[11] This experience enabled him to meet many of the objections that PP&E and DDR&E had earlier raised to the MB-70/XM-803 program.

The perceived need for new weapons is often stimulated by changes in the threat or in technology. These changes alter the relative values of different capabilities so that some existing capabilities become relatively less important while others become easier to achieve. In the decades following World War II, the growth in capabilities and increased profusion of antitank weapons caused many analysts to question the need for heavily armored vehicles. They advocated trading off the increasingly useless mass of armor for lighter, agile, mobile, less expensive tanks in larger numbers. In the pages of *Armor* magazine throughout the late 1960's and early 1970's, for example, most discussions of new tank designs specified vehicles weighing from twenty-eight to less than fifty tons (the M-60A1 was approximately fifty-five tons). At first, the Task Force also strongly considered tanks in the forty to fifty ton range. However, the technological possibilities implicit in the new armor shifted the parameters in the calculations.

It became possible to achieve much more protection with a fifty ton tank than was available on the fifty-five ton M-60A1. A fifty-eight ton design incorporating the new armor yielded 100 per cent more protection than in current tanks. For a given engine and suspension, the increased weight would lead to a more expensive, less agile, and less mobile vehicle. These points were hotly debated by the Task Force, which finally recommended that the weight be held below fifty tons. The Army Systems Acquisition Review Council (ASARC), required to validate the requirement emanating from the Task Force, overruled the Task Force on this point. The ASARC and Army Chief of Staff, General Creighton Abrams, decided that the extra protection was worth the weight penalties especially since the proposed engine and suspension could maintain the desired level of mobility and agility. Thus, it is clear that in this example, changes in the threat, followed by new technology led to a shifting set of choices in system configuration.

The Task Force delivered its Materiel Need in August, 1972. The Materiel Need described the physical and performance characteristics required for the new tank. It assessed the threat facing the main battle tank, the concept of operation, and methods of employment. The Materiel Need viewed the tank primarily as a weapon whose use must be pervaded by the spirit of the offensive. The optimal tank design should take advantage of advances in complementary weapons. Specifically, infantry antitank weapons and attack helicopters allow a specialization in the mission assigned to the tank. As with most other studies of future armor

PROTECTION AS A FUNCTION OF WEIGHT FOR NEW AND STANDARD ARMOR



[11]Colonel Lawrence did not move directly from PP&E to the Task Force, but had spent some time at Brookings Institution and the Army Staff.

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combat, the Task Force stated that no longer would the tank be required to be the primary antitank system, especially at longer ranges.

The dispersal of antitank weapons and guided missiles throughout the infantry would permit tanks in the future to concentrate on the classical armor tactic of movement in mass. Taking advantage of the combined arms team concept releases the tank from its sedentary position on the defensive and allows armor formations to exploit their mobility and capability to quickly close with enemy forces.

The performance requirements were specified as bands, with the lower level of the band attainable with available technology and the upper level requiring pushing against the state-of-the-art. A Joint Working Group agreed to all but one of these requirements. The new Project Manager's Office had reservations on the new armor, specifically with respect to the attainability of the required protection within the weight and cost constraints. The Task Force report therefore called for extensive test and analysis of this technology.

The cost and effectiveness analysis considered more than eighty configurations drawn from the catalogue of components. Most of the configurations were developed by the Task Force, but some were supplied by General Motors and Chrysler. And the M-60 project office provided their notions of an ultimately product-improved M-60. Early analysis eliminated most of these configurations for failing to meet the minimum Materiel Need requirement. Cost and effectiveness analyses were used to evaluate the remainder using established computerized simulation models. This analysis rated the new tank clearly superior in cost-effectiveness to the ultimately improved M-60.

The Task Force appreciated the limitations of the available quantitative analyses and combat simulations and therefore conducted a number of independent studies aimed at overcoming these limitations. In the end, the recommendations drew on a good deal of judgment and qualitative analysis, supported by the quantitative studies and analysis where possible.[12]

Both Systems Analysis [13] and the Director, Defense Research and Engineering (DDR&E) have overview and advisory functions for new systems. DDR&E has the basic responsibility for coordinating the Development Concept Paper (DCP) and managing the Defense Systems Acquisition Review Council (DSARC). The DCP defines the "program issues," including special logistics problems, program objectives, program plans, performance parameters, areas of major risk, system alternatives, and acquisition strategy.[14] If the DCP is approved, the program is conducted within DCP thresholds.

During the course of the MBT-70/XM-803 program, Systems Analysis and DDR&E had viewed that tank with skepticism.[15] They thought that the system was too costly, too complex, and that many of the subsystems were of marginal value. As part of their argument against the MBT-70/XM-803, Systems Analysis wrote a paper describing a preferred alternative. The paper called for high mobility, spaced armor, the 105 millimeter gun of the M-60, and a stabilization system good enough to track, but not fire, while moving. They recommended against a missile and an automatic loader. In the end, the XM-1 looked very much like the Systems Analysis tank. There was therefore little opposition to the main outlines of the XM-1 program.

However, Systems Analysis remained dissatisfied with the engine, which they thought too risky, and the prototype development strategy. They suggested that if the new tank had the proven 105 millimeter gun, an off-the-shelf engine, and a standard suspension, ballistics testing would require only an armor mock-up. Systems Analysis and DDR&E strongly advocated experimentation with production techniques and operational tests on the new armor. They advised the Army to limit the number of new, risky components, but to thoroughly test these. This approach would reduce development time and cost even though some components would undergo more testing than the Task Force called for. If the Army went with their riskier tank, they suggested compressing the DCP thresholds to flag development problems for the DSARC. All in all, though, both Systems Analysis and DDR&E liked the new tank. A memorandum from the Systems Analysis principal to the DSARC summed up their residual concern: "The new main battle tank is a good buy, but is it the best for the money?"

In 1972, the Army established a committee modeled after the Defense Systems Acquisition Review Council (DSARC). The Army Systems Acquisition Review Council (ASARC) was to review Army

[12]It is informative to note that Systems Analyses people at OSD felt that the Task Force report was long on assertion and short on analysis, especially concerning the Task Force requirement for high mobility. Conversely, Systems Analysis had no quantitative data available which could overturn the requirement.

[13]The shorter, older, and still common name of Systems Analysis is used here for the Office of the Assistant Secretary of Defense for Program Analysis and Evaluation.

[14]Department of Defense Directive, Number 5000.1, *Acquisition of Major Defense Issues*, July 13, 1971.

[15]A key individual in land warfare programs moved from Systems Analysis to DDR&E at about the time the XM-803 was cancelled; because of this fact and because their points of view were similar, these two organizations are considered together for the purposes of the present discussion.

weapons proposals before presentation to the DSARC, from whom approval was required before a system could enter development. Chaired by the Vice Chief of Staff, ASARC consisted of principals from the Army Staff and Secretary's office. Many of the same individuals had served on the Department of Army MBT Steering Group and had provided broad policy direction to the Task Force. The ASARC, however, sat not as a policy-making body but as a decision-making committee with authority to approve the tank program or to modify it such that it would gain full Army support. It was seen as an important function of the ASARC "to get everyone to sing the same tune." The Army believed that its lukewarm support had helped kill the XM-803 in Congress. A number of individuals had, in fact, testified against it. ASARC could expose the new tank program to a full review prior to proposing it officially at higher levels. ASARC was also supposed to "scrub" the requirements to eliminate all "nice to have" but not essential features. This too was intended to ensure an easier passage outside the Army. The XM-1 was the first system to go before the ASARC.

Although the Armor Center Team gave the Task Force much advice and criticism, the Armor Center concerned itself primarily with operational matters. It lacked "the guys who had to get the bucks." Both the MBT Steering Group and the ASARC knew the budgets, they knew the installations and logistics problems, and they had a different point of view from the professional armor people.

The ASARC meeting of October 13, 1972, made two major decisions—to increase the weight of the tank and to officially establish the production number of 3,312 tanks. Both General Desobry and Colonel Heiden had argued strongly for a tank weight below fifty tons; their arguments were based on the increased mobility and agility and lower cost of the lighter design. General Abrams, Army Chief of Staff and the most respected and experienced tanker in the Army, took a very active part in these discussions. He concluded that the availability of several alternative 1,500 horsepower engines that could go into the new tank allowed both higher levels of protection and greater mobility than hitherto available.[16] Despite increased protection to be gained from the greater mobility of a lighter tank, Abrams emphasized the relative certainty of increased protection achievable from additional armor versus the probabilistic calculations based on mobility. As the General's formulation put it, "We cannot knowingly increase the risk to personnel." Another argument for increasing the weight emphasized the increasing returns to protection from additional armor in the range around fifty tons. That is, protection increased proportionately more than weight. The additional armor was added mainly to the sides and rear, rather than to the front, which was believed to be adequately protected. The proliferation of antitank weapons had increased the probability of hits from these other directions.[17]

Deputy Secretary of Defense David Packard had established the Defense Systems Acquisition Review Council in his Directive 5000.1 of July 13, 1971. This directive substantially redirected weapons acquisition policy. The DSARC was intended to support the Secretary of Defense in weapons acquisition decision-making by review and approval of the initiation of new programs and their progress through subsequent phases.

The XM-1 DSARC met on November 14, 1972. Director of Defense Research and Engineering (DD&R) John Foster chaired the meeting and more than fifty people attended.[18] Foster presented the issues to be decided by the Council: (1) What should be done to improve the capabilities over the present M-60 series? (2) How? By product improvement or acquisition of a new tank? (3) *If* it should be a new tank, can it be sold to Congress? [emphasis in original] Will the price of a new tank be less than the XM-803? Is the estimate a believable figure? (4) Has the threat been accurately evaluated?

The DSARC was briefed by a representative from Combat Developments Command and by General Baer, who had been designated as the project manager of the new tank. After a relatively *pro forma* discussion of one and a half hours, the Army had a new tank program.

The core of the XM-803 team remained together at Tank-Automotive Command (TACOM) in Detroit, and this group provided much of the continuity between programs. General Baer was to remain in his post until the end of the prototype validation phase—that is, until the beginning of advanced development in mid-1976. This plan assured continued personal leadership of the program through its critical early phases.

Many observers consider General Baer ideally suited to the job. A strong, forceful manager, he has had experience at Army Staff level. The project

[16]U.S., Congress, House, Committee on Appropriations, *Department of Defense Appropriations For 1974*, Part 7, p. 391.

[17]The HBT Sterring Committee had earlier revised the Task Force recommendation to hold the line at fifty tons. This revision was aired before the ASARC and, as discussed above, approved and supported by the chief of staff.

[18]Attendance at the DSARC, by organization and number of people follows: DDR&E-7; DDR&E (Test and Evaluation)-3; Office of the Assistant Secretary of Defense (OASD) (Installations and Logistics)-7; OASD (Intelligence)-3; OASD (Comptroller)-6; OASD (Systems Analysis)-4; Joint Chiefs of Staff-2; Army-12; Cost Analysis Improvement Group-1; Defense Intelligence Agency-1; DSMS-1; Speakers-2.

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office has about eighty people assigned to it, twenty-two per cent military.[19] Many of the key people were on the Task Force and therefore thoroughly familiar with the deliberations leading to the present program.

The Task Force, the project office, and the Department of the Army have attempted not to "overconstrain" the developers. The two contractors, Chrysler and General Motors, were given a fixed budget constraint and a set of desired performance characteristics specified as ranges rather than discrete points. Within the bands, the firms were free to make trade-offs. They were also free to select any components from the Task Force catalogue.

In order to assess the Army's cost, reliability, and performance priorities, both firms met with members of the armor community, especially in the early RFP stage. They then hired prominent ex-armor people to advise them on a continuing basis. The design and prototype construction groups of the firms have a total of about 300 people each. This number includes both design and prototype construction.

The Army has designated the XM-1 one of its "Big Five" highest priority programs. For selection as a high priority system, a development must be: central to the performance of the Army's combat mission and directly associated with the fundamental organization, tactics, and performance of principal Army forces.[20] When the Army first began to use the project office management structure, a manager had priority in getting what he needed to run a program. As the number of projects multiplied to more than eighty, one project manager came to be treated much like any other and the benefits of priority were lost. With the establishment of the Big Five concept, the Army had identified those few systems where priority is to be applied. It is hoped that through rationing priority, the program management technique can be made more effective.

Tests have been proceeding with the turret and hull design using the new armor. Quarter-hulls and quarter-turrets have been useful in this regard. These are full-scale configurations of a quarter of the circumference of the component. One contractor has built at least ten versions of these quarter-models to fine tune his design. They next proceed to half-models before going to the final design.

Each contractor will build one fully configured prototype, an automotive test rig, and a ballistic hull and turret for use in protection tests. The prototypes are to be delivered to the Army in February, 1976 for competitive testing. The decision to go into full-scale development is expected in July, 1976.

A central policy goal of both the project office and of Army Materiel Command forbids changing the requirement or imposing changes on the detailed design until completion of the first prototypes. General Baer has consistently opposed changing things during this early phase of the program. He claims that the appropriate time to make changes falls between phases when a new RFP (request for proposal) will be issued to firms and contracts will be drawn up. Right now, he argues, they have a requirement and they have a prototype to develop. They do not want to make changes that will add to the costs, or make the program more complex, or bring added effort to the contractor. For example, although there is a tripartite tank gun program that might lead to a new gun being adopted by the U.S., United Kingdom, and Germany, the agreed decision date for the gun is September 1975, partly because the project office would then need the information for preparation of the RFP for engineering development. Also, the project office and AMC obtained an agreement with the new Training and Doctrine Command (TRADOC) to hold off on changing other requirements until the next RFP.

II. ANALYSIS: IMPACT OF ORGANIZATIONAL ARRANGEMENTS ON U.S. DECISIONS AND ACTIONS

Currently, the XM-1 appears to have a fair chance of succeeding where its predecessors failed. The new tank promises to provide good, improved, non-gold-plated performance at reasonable cost. Congressional action significantly contributed to the improved probability of success, as did alternative, non-standard organizational arrangements for generating the XM-1 requirement. This section notes the impact of the Congressional intervention and the Army's response on the XM-1 design.

A. Congressional Intervention

Congress played the key role in the cancellation of the XM-803 and the initiation of the new tank program. Moreover, the Congressional intervention decisively affected the design of the new tank, the XM-1. This level of influence is not typical. How, then, did it happen?

When Congress acted, the F-111, C5-A, and

[19]The project office for the XM-803 had a staff of several hundred at the time the project was cancelled.

[20]The other systems in the Big Five are the Utility Tactical Aircraft System, Armed Attack Helicopter, Mechanized Infantry Combat Vehicle, and the SAM-D air defense system. U.S. Congress, Senate, Committee on Appropriations, *Department of Defense Appropriations for 1975*, Part 1, p. 19.

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MBT-70 had come to symbolize wasteful and ineffective management of major weapons developments. As public opposition to the war in Vietnam grew, these examples of apparent military bungling drew fire as well. Reining in runaway weapons developments became politically acceptable. Yet despite massive cost and performance shortfalls, the F-111 and C5-A escaped the Congressional noose. Both were procured. Cancellation of the tank program seems to have resulted partly from its coming last. One, perhaps two, major overruns might be tolerated. Three went too far. In addition, the Army had already twice burned the Appropriations and Armed Services Committees by the time of cancellation. Not only had the original joint MBT-70 program failed dramatically, the truncated XM-803, under a Congressional mandate to reduce sophistication and cost, had fared no better. The apparent defiance spelled the system's demise.

The particular form the cancellation took merits special attention. In deleting all funds for the XM-803, Congress provided a small sum for the initiation of a new program from scratch. Ordinarily, Congress does not concern itself with the details of weapons systems until OSD has approved an operational requirement and development is on track. In this instance, however, Congress used its power to approve or deny funds so as to hook itself into the very beginning of a weapons development, before any requirement had been written—the time at which the crucial choices are made. Applying its standard funding role, Congress created for itself an advantageous position to exert leverage on the XM-1 design. Through explicit instructions and the implicit threat to halt appropriations, Congress imposed specific cost, schedule, and performance criteria on the new program.

XM-1 Requirement

The XM-1 requirement is remarkable for three reasons. First, it envisaged a moderately priced tank with improved performance over the M-60 but with few gold-plated extras. Second, it specified performance requirements as bands within which the competing contractors could make trade-offs. Third, it enjoyed broad support throughout the Army. While these conditions do not guarantee a successful development, they unquestionably got it off to a good start. Moreover, the combination is exceptional. The explanation for the outcome lies in the Congressional initiative and the Army's response.

Through the intervention, Congress had spoken unequivocally. The Army was to generate a tank requirement incorporating the Congressionally mandated features or it would get no new tank at all. This imperative was understood by everyone involved. Perhaps alone, the unique politics of the issue was sufficient to induce a favorable outcome.

The Army in fact chose to respond in a way that seems to have reinforced the overriding need to generate a design acceptable to Congress. The Army formed an *ad hoc*, special-purpose, temporary group—the Main Battle Tank Task Force—to work within the current setting though freed of most organizational constraints. The Task Force constituted an elite, highly qualified group with authority granted to it by the highest levels in the Army. It could monopolize the requirements generation function both because of its official status and because of the respect and prestige of the Task Force members. The members were drawn from throughout the Army, making it difficult for dissenters to maintain that some voices were not being heard. Developers and users were drawn together so that there was neither an R&D/user command bias toward technology nor a users' bias toward excess conservatism. The efforts of General Desobry to extend the range of outside advice through such devices as the Armor Center Team, questionnaires, seminars, etc., further attracted diverse opinions. In this way, the requirements process concentrated in the Task Force without the necessity for seeking concurrences, "sign-offs," and the many other formally required, customary, and organizationally necessary approvals. Opinion was diverse but decision was concentrated. Concentrating the process meant that the common problem of every general adding his favorite device to the requirement was avoided. The Task Force could focus on functional specifications within the constraints imposed by Congress.

The Task Force also overcame the growing sterility of requirements generation in the Combat Development Command. CDC had been divorced from the other Army functions since its formation in 1962. At about the time of the formation of the Task Force, a reorganization of the Army was being planned in which CDC would be eliminated and its functions transferred to a new Training and Doctrine Command (TRADOC). The Vice Chief of Staff must have been sensitive to the problems in CDC and the Task Force could have been a device to circumvent them. However, CDC was not short-circuited. The Task Force was formally attached to CDC, and it was through this same commanding general that the Task Force reported to Army headquarters.

These reporting lines were kept very short. If the job had been done in the normal way as part of the standard CDC structure and according to the standard operation procedures, the requirements for a new tank would have been buried in the CDC organization with several echelons between the tank group and the top of CDC, and with several more

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layers above that to the Army staff. The Task Force director, however, reported directly to the CDC commander and in parallel to the Vice Chief of Staff.

In short, the Task Force made sufficient use of regular organizational channels and consulted widely enough throughout the Army to gain legitimacy. It then used this legitimacy to exploit its unique, *ad hoc* position. Uncommitted to past approaches, the Task Force's leadership was free to innovate. Under the strict Congressional mandate, it was forced to innovate. Hence, it produced a requirement that in substance and form would not have emerged under routine development arrangements.

III. EVALUATION OF U.S. GOVERNMENT PERFORMANCE

A. *A Reasoned Conception of U.S. Objectives Was Present:* fair.

The Army lacked a coherently formulated set of objectives to be accomplished by armored vehicles. After the Task Force stepped in, some attention was devoted to the issue but there is no evidence that either Congress or OSD explicitly examined the military objectives to be met by armored vehicles (or alternatives), given best projections of antitank technology and scenarios for the use of armored vehicles.

B. *The Best Obtainable Information Relevant to the Decision Was Made Available:* poor and good.

Until creation of the Task Force, performance was poor. When the Task Force seriously and energetically gathered more information in formulation of the XM-1 requirement, performance was good.

C. *The Implications Flowing from the Information Were Effectively Canvassed:* pre-Task Force: poor; post-Task Force: good.

The Task Force brought to bear the substantial amount of information it had collected when it specified the features of the XM-1 requirement.

D. *A Full Range of Alternatives Was Considered:* pre-Task Force: poor; post-Task Force: fair-to-good.

Before the Task Force the Army concentrated on single alternatives. In writing the requirement the Task Force considered a wide range of alternative configurations. In selecting the contractor, it will have two alternative prototypes. As with all developments, however, OSD had only *one* alternative requirement to approve or disapprove.

E. *A Full Range of Relevant Considerations Was Applied:* good.

For once, Congressional and OSD interests—in addition to service interests—figured in the design of a major weapon. For this reason the XM-1 promises to be both cheaper and more austere than would otherwise be the case. Whether either the Army or Congress or OSD brought to bear foreign policy, arms control, or overall strategic considerations, however, looks doubtful.

F. *All Appropriate Participants Were Consulted:* good.

A broad array of participants was consulted.

G. *The Decision Was Taken at the Lowest Level Possible:* excellent.

Congressional, cabinet-level decision appropriate to the issue.

H,I,J. *The Decision Was Clearly Communicated to Those Responsible/The Actions of the Responsible Officials Were Monitored/The Results of the Decision Were Noted and Assessed:* excellent.

Congress took an unusual interest in seeing that the Army understood its instructions and followed them. OSD monitored the program in standard fashion.

K. *The Resources Committed to the Action Were Commensurate with the Task:* excellent.

Resources unusually and appropriately, lean.

L. *The Decision Process Was as Public as Was Consistent with its Nature:* excellent.

No undue secrecy apparent.

M. *The Decision Was Broadly Consistent with the Public's Sense of U.S. Interests:* excellent.

Assuming the public understands and approves continued maintenance of substantial conventional war-fighting capability, the XM-1 is fully consistent with that interest.

Conclusions and Recommendations*

The cases above may have told most Commissioners more than they wanted to know about weapons acquisition—or at least, more than they wanted to know about these particular weapons. But the case analyses do identify a number of important problems in the current process for acquiring weapons—problems directly and importantly affected by organizational arrangements. Most of the inadequacies are illustrated by several cases.

The question arises: are these inadequacies typical of "the" weapons acquisitions process? As noted at the outset, this is an issue for the Commission to judge—one that, in strict terms, lies beyond the mandate of this phase of the research. We have tried to aid the Commissioners in making their judgment by referencing previous case histories and studies. But, as we warned above, "the" weapons acquisition process covers so many different specific weapons systems and assorted processes that any attempt to generalize about common inadequacies or to suggest common remedies is subject to objections that some important particulars are neglected or distorted by the generalizations.

The cases do not begin by identifying inadequacies and suggesting remedies. Instead, they try to *analyze* the impact of organizational arrangements on critical decisions and actions. From these analyses, a number of common features of the current weapons acquisition process emerge. Hence this chapter first presents a brief summary of salient characteristics of the weapons acquisition process revealed in the cases. Against this backdrop, we then try to state concisely a dozen important inadequacies that are identified by the case analyses (indicating for ready reference which specific cases illustrate each inadequacy). For each inadequacy, we suggest a number of tentative recommendations about the possible remedies. As discussed in the introduction, all recommendations are explicitly *tentative,* addressed to the Commission (and not to the appropriate action agencies) and stated as possible remedies that the Commission should consider—in the light of all the evidence at its disposal—in formulating and documenting as concrete recommendations. Finally, we note the obstacles to reform and assess the prospects for overcoming them.

I. SALIENT CHARACTERISTICS OF THE WEAPONS ACQUISITION PROCESS

Characteristics of the weapons acquisition process must be understood in context. In following the Commission's mandate and focusing primarily on the impact of organizational arrangements on weapons products, this study has done little to illuminate the substantive problem that the U.S. weapons acquisition process was created to meet. Adequate discussion of the shape of the problem to which the U.S. responded by creating a process for acquiring weapons would carry us far beyond the scope of this study, and indeed beyond the Commission's charter. But several important contextual aspects should be noted.

The U.S. acquires weapons as a key part of the military power that supports American foreign policy objectives. The need for forces, and the kinds of forces required thus should depend upon American foreign policy objectives and on the actions of nations that can thwart American ambitions.

The nature of the intellectual problem faced in weapons acquisition may become clearer if we consider first the problem of a single individual—let's call him US—attempting to solve the riddle of how many, and what kinds of weapons he should have. His problem is one of matching means and ends in the light of some budget constraints. The ends for which he acquires and maintains weapons and forces are national security and foreign policy objectives. The means are military forces capable of performing specific actions in particular contingen-

*This chapter relies on Allison and Morris, "What Determines Military Force Posture?" a paper presented to the American Academy of Arts and Sciences' Summer Study of New Directions in Arms Control, Summer, 1973, and to be published in a forthcoming issue of *Daedalus.*

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cies. Thus he should clarify his foreign policy objectives, identify contingencies his forces must be able to meet, decide on the manner of his response, and then buy the weapons that provide the necessary capabilities at the lowest cost. But his calculations are complicated by a number of factors.

First, if US's weapons supported his foreign policy only in actual use, his problem would be eased since characteristics of weapons and numbers could be chosen to guarantee defeat of the enemy in actual use. In fact, US seeks to achieve his foreign policy objectives not by the use of force, but rather by the threat of the use of force. As both Secretaries Kissinger and Schlesinger iterate repeatedly, deterrence is essentially "perceptual" and "psychological." In an era in which the nature of military power has changed dramatically, and the mechanisms of threat and deterrence are poorly understood, US must nonetheless attempt to choose forces that have features that deter potential enemies.

Second, not only must US's weapons be tailored to deterring, and if necessary, defeating enemy actions, US's choices also affect his opponents' weapons acquisitions—by suggesting possible technologies, by encouraging emulation, and by provoking reactions. Particularly in the realm of strategic weapons, US cannot solve his weapon riddle unilaterally. He must recognize and try to incorporate the reactions of his opponents that will in turn confront him in the next round. Arms control is an inescapable component of unilateral weapons selection.

Third, US's problem would be easier if he were choosing from a fixed menu of possible weapons. But in fact, the extraordinary pace of technological advance makes available each decade new generations, and indeed new species of weapons. Since new weapons can be developed by potential enemies as well as by US, prudence requires that he invest in many areas of research and development. And he has the very hard problem of deciding how to trade-off today's capabilities against tomorrow's possibilities, uncertainties, risks, and costs (all compounded by possible interactions with his potential enemies).

Fourth, uncertainty is not limited to technology. The identity of potential enemies, the strength of potential enemies, and even US's own foreign policy objectives—all are changing in ways difficult to foresee.

Fifth, US recognizes the icebox principle: availability affects use. If there is beer or ice cream in the icebox, the noble dieter faces a much harder problem than when the icebox is bare. Since the contingencies in which US might use force to achieve his foreign policy objectives are not unambiguously defined, acquisition of certain capabilities may tempt him to uses he would prefer, a priori, to avoid.

Sixth, the question of "how much is enough?" cannot be answered independent of the first five factors, but neither can it be answered with reference to them alone. US recognizes the inevitable trade-off between defense and domestic programs (or private consumption).

These six features point to one clear conclusion: US faces a very difficult problem—one inherently so complex that reasonable individuals can reach fundamentally different conclusions about the right solution.

Moreover, recall that we highlighted these features by examining the simplified problem of a single individual choosing from weapons (and research) made available by the marketplace. In the actual case, the U.S. Government confronts these problems: the riddle must be solved not by a single individual, but instead by a political process that involves large numbers of individuals and institutions (many of whom do, and will, disagree about the right solution); weapons are not available in the marketplace but are researched and developed and procured by large organizational components of the U.S. Government created for those purposes; the major organizations that define weapons needs and manage weapons development are also the organizations that recruit and train and inspire men to risk their lives for the country in battle with these weapons. So the problem of acquiring weapons to support American foreign policy objectives is coped with by creating an institutional process. The process devised to meet the problem is at least as complicated as the problem itself. Indeed, it is so complex and involves so many components that human beings, with their limited capabilities, are forced back on simplifications in thinking about the problem. The following chart depicts in a crude, stylized fashion the major stages in the U.S. weapons process from early research, through development, through procurement. (Obviously different weapons have somewhat different histories, but the chart attempts to present a "normal" sequence for a generalized weapon.) With reference to the chart, we can note seven salient characteristics of the American weapons acquisition process.

1. The central, but persistently neglected fact about force posture is that *weapons are deployed only after a decade-long process* of research, design, and development. Weapons are not selected at a moment, off the shelf. As a consequence, the relationship between a weapon and factors such as strategic doctrine, estimates of enemy capabilities, or central governmental decisions is enormously complicated by assorted time lags. For example, R&D decisions about MIRV were made prior to evidence of Soviet ABM capabilities; design and development choices about ABM were made prior to the decision to concentrate on defense of MINUTEMAN as the pri-

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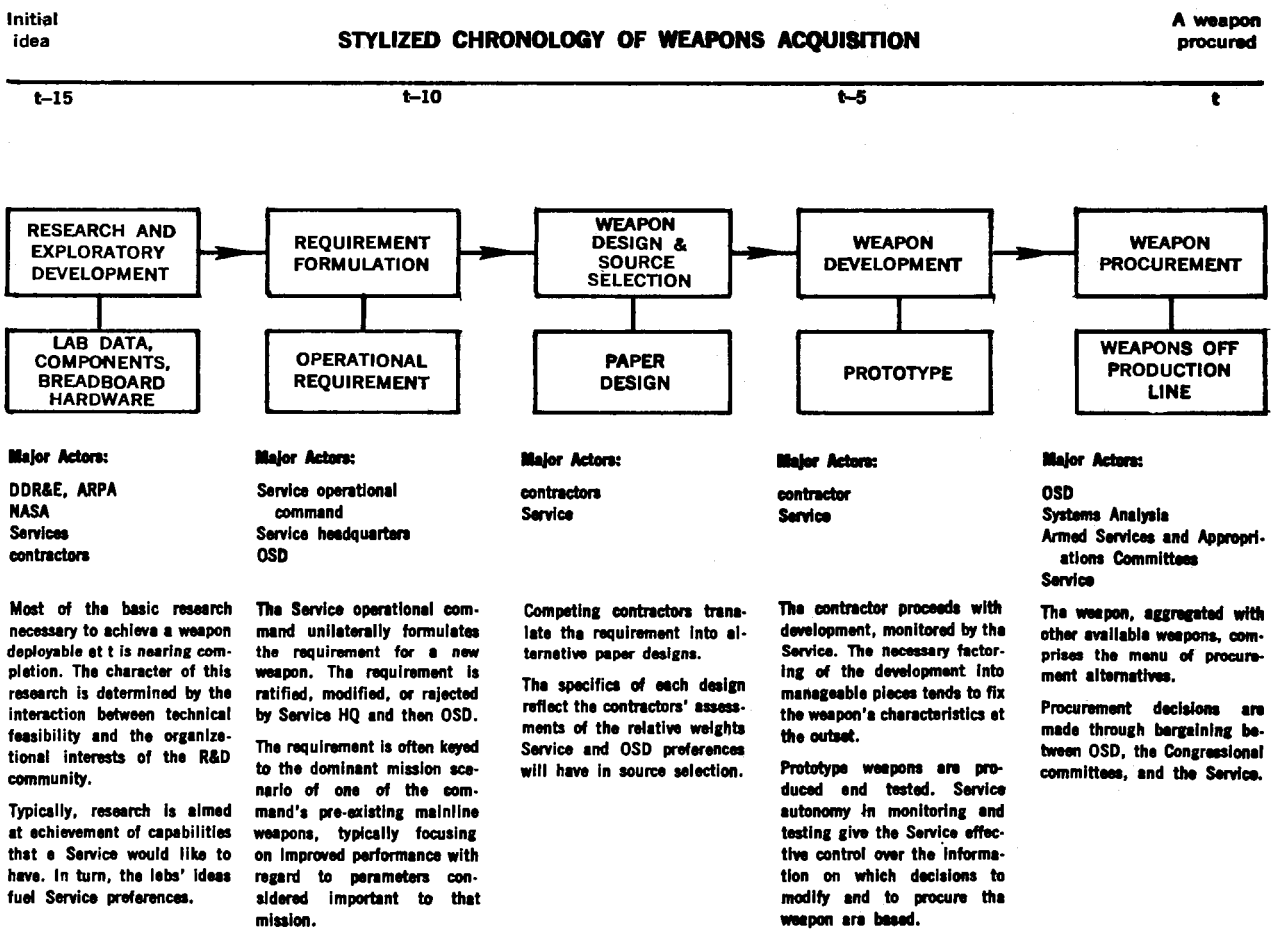

mary objective; the size of U.S. strategic forces in the 1960's was chosen before the assorted doctrines matured.

2. The lengthy process from which weapons emerge involves hundreds of important, relatively independent decisions. Because of the length of this process, *no political official can oversee the entire "choice" of a weapons system.* Given the tenure of Presidents and Secretaries of Defense, most of the decisions about research, design, and technical specifications of weapons that an administration can consider procuring will have been made under a previous President and a Secretary of Defense minus two. In 1969 President Nixon chose an ABM from a menu that did not include a suitable hardsite ABM (since none had been developed in the five years previous). McNamara's options for a bi-service fighter included but two designs, both devised before he arrived.

3. *Any conception of the role of the Secretary of Defense (or the President) that implies that he can make most of the important decisions is naive.* He doesn't have the understanding. He doesn't have the information. He doesn't have the analysis. If he had all three, he would still lack the power and the persistence. The length and complexity of the weapons process invites comparison to a relatively free-form Cecil B. DeMille production with a cast of thousands. The actors that play the key roles change twice or three times in the course of the production. Indeed the director changes twice, the first arriving after the initial script has been written, and site fixed, and the first wave of actors hired; the second arriving somewhere during the filming of the third hour of the six-hour film, only to be replaced by a third who oversees the final minutes of filming, the editing, and the presentation of the package to the public. The analogy is suggestive, but dramatically understates the problem. If the director were involved in one hundred Cecil B. DeMille productions of this sort, some at the initial stage, some in the middle of filming, some at the point of marketing, the analogy would be closer—and still it would be too modest.

4. Because of the length of the weapons development process, the number of semi-independent decisions that must be made, and the complexity of these decisions, no central authority can make all

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important decisions. *Subordinate organizations, functioning with substantial, unavoidable autonomy, must play a major role in weapons development.* In the current U.S. weapons development process, *the services and service subunits are the primary actors in weapons development.* Consequently, force posture is substantially shaped by the configuration of services (and service subunits), their goals and procedures, and their incentives, especially the missions and weapons systems to which services (and subunits) are committed in preserving their existence. Political officials may disturb this process. Only rarely do they control it.

5. The current weapons development process consists of a series of sequential bargaining games in which *service (and service subunit) preferences are weighted more heavily than any other interest.* Service preferences about weapons reflect service interests which emphasize the organization's health. Service organizational health is seen to depend on maintaining its autonomy in preserving what its members view to be the "essence" of the organization, maintaining morale, maintaining or expanding roles and missions, maintaining or increasing budgets.

The *structure* of the current weapons development process accents the weight of weapons users and developers as against executive officials and Congress. This structure allows many small choices to cumulate to formal decisions (e.g. SOR, RFP, deployment contract), minimizing points at which political officials can make clearly identified choices among viable alternatives. The impact of players (and interests) differs markedly among the various bargaining games in the process of weapons development. The principal players in most design and development decisions include the services and subunits, design labs, DDR&E, the Secretary of Defense (and other units to whom he delegates authority)—but not the President, the Secretary of State, ACDA, Congressmen, or you or me. The participants in major procurement decisions include a much wider circle.

6. Can one expect that the services (and service sub-units) left mostly to their own devices, will buy the weapons the nation needs? On the whole, the answer had best be: Yes. If not, we will not have the weapons we need, because, in the main, the weapons we have are those the services developed. But note the qualifiers: "on the whole," and "in the main." Services buy weapons tailored to their (often parochial) perception of the nation's interests, which weight heavily their own institutional interests. If these interests are not essentially compatible with the nation's needs, then the nation has the wrong services and should radically reorganize. But given that the services essentially serve the national interest, at the margins, and in the many important particulars, their choices may not adequately meet the nation's needs. Hence, responsible political officials must make independent appraisal of national strategy, requirements, and weapons, and use their leverage to effect change at the margin. Instances in which service preferences are most likely to diverge from national interests include:

- Acquisition of new technologies that threaten a service's (or sub-unit's) primary mission or even existence, for example, the Air Force and missiles, the Navy and POLARIS, the Navy and mines, the Army and antitank weapons.
- Over-sophistication (and soaring unit cost) of weapons in absence of a believable budget ceiling, e.g. TRIDENT, MBT-70, B-1, F-14, and F-15.
- Acquisition of weapons for new foreign policy or defense objectives that are not shared by a service or sub-unit, e.g. limited war capabilities.
- Acquisition of weapons requiring coordination of existing services and missions, e.g. multi-service fighters, ASW.
- Acquisition of weapons for missions to which a service gives low priority, particularly when the mission is essential not to a service, but to a sister service, e.g. close air support, airlift, sealift.
- Acquisition of ready capabilities, including ammunition, and pre-positioned equipment.

Responsible political officials are easily tempted to bite off more than they can chew. Secretaries of Defense like to say, "Do this," and "Do that." *But the power of the Secretary of Defense is primarily the power to say no.* His best hope lies in structuring processes so as to create menus that give him powerful alternatives. The wise Secretary of Defense will husband his limited political capital and invest carefully in a limited number of issues of great importance to the nation where he can have a significant marginal effect. The responsible Secretary of Defense should invest in adapting processes to provide better menus for his successor.

7. The *details* of weapons systems, e.g. accuracy of warheads, are mostly determined by the interaction of technical feasibility and organizational interests, the services and the R&D community. (This proposition is obviously related to two "laws." Ruina's law: "On the issue of guidance accuracy, there is no way to get hold of it, it is a laboratory development, and there is no way to stop progress in that field." Brooks' law: "At least ten per cent of an R&D budget is uncontrollable in detail by a central authority.") ABM and MIRV illustrate both.

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II. INADEQUACIES AND TENTATIVE RECOMMENDATIONS [1]

A. Core Notions

> The most frustrating thing is that we all know how we ought to manage—you, me, all of us—and we refuse to change based on what we know.
>
> Deputy Defense Secretary Packard, addressing the Armed Forces Management Association, 1970.

There is broad agreement that the current weapons acquisition process is not working well. Perhaps more surprisingly, there is substantial agreement as to *why* the current process performs so poorly. Four "core notions" may serve to summarize the major deficiencies.

1. Competition

In the private sector, competition can foster innovation, efficiency, and responsiveness to consumer preferences. In the acquisition of major weapons systems, competition is notably absent in several key respects. First, services and service subunits have monopolies on major roles and missions. Services can deploy weapons in accordance with their own perceptions, goals, and routines without fear that the government will go elsewhere. Second, for any class of weapons (e.g. aircraft, submarines, missiles), there exists but a handful of contractors capable of undertaking a large development. Third, for any given development, competition between this small group extends only briefly into the design/development/production cycle. In the extreme case, a single developer may get an entire design/development/production contract on the basis of its winning paper design. The absence of competitive pressures severely limits the leverage political officials can exert in behalf of government objectives.

2. Leanness and Austerity

The declining proportion of the federal budget devoted to defense has not prompted austerity in weapons designs. Indeed, since World War II, successive generations of weapons systems have pushed development arts to their limits. For key performance dimensions, each new weapon has sought maximum obtainable improvement over its predecessor. As a result, unit costs have skyrocketed. For example, the cost of bomber and transport aircraft has multiplied by a factor of fourteen since World War II. The money that bought 100,000 fighter aircraft during World War II, when adjusted for inflation would buy less than 1,000 F-14 fighters today. The money that bought 57,000 tanks during World War II would now buy fewer than 2,000 main battle tanks.[2] In a world of finite budgets, higher unit costs means fewer units. Procurement of fewer units may in turn offset the increased effectiveness improved performance is supposed to provide. If, as some have argued, *unit* effectiveness has declined as well, the problem is grave indeed.

3. Independent Analysis

The current process provides for little independent analysis at critical junctures during the development of a weapon. Such analysis is particularly lacking at the outset of development—when the decisions are made that have the most impact on the final outcome. By the time an operational requirement reaches the desk of the Secretary of Defense, it has acquired a vital service constituency backed by service analysis. OSD lacks the capability to comprehensively evaluate the weapon in terms of its place in the overall force structure, its cost-effectiveness relative to current and alternative new systems, its arms control implications, and so forth. Similarly, after the elaborate source selection competition, OSD normally lacks the analytic capability and the perceived authority to convincingly overrule the service choice. At both waystations, Congress is even less well equipped than the Secretary. By default, the service exerts the controlling influence over the characteristics of new weapons systems—characteristics that may not match the objectives of the government.

4. Understanding of the Process/Implementation

As the cases make undeniably clear, high-level attempts to intervene in the process have not yielded spectacular results. McNamara's performance on the F-111 requirement and source selection is the classic case. His experience underscores a central problem in weapons acquisition: political officials neither understand the process sufficiently, nor give enough attention to implementation to make their intervention worthwhile. To achieve outcomes different from what established arrangements would routinely grind out, a political official must at a minimum acquire a general understanding of the process he is attempting to control. And to advantageously influence the course of a particular development, he must obtain a detailed estimate

[1] None of the cases in this volume covers Secretary of Defense James Schlesinger's tenure. A number of our recommendations are consistent with reforms he has begun.

[2] Comptroller General, *Cost Growth in Major Weapons Systems*, Report B-163058, March 26, 1973, p. 17.

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of the numerous, small, grubby actions that must be taken if his preferences are to prevail. He must get a handle on the organizational and bureaucratic obstacles that stand in his way—or that suggest his path is not a wise one. The current system neither educates officials to the process nor provides them with implementation analysis to guide and inform on particular weapons. As a result, most intervention misses the mark.

B. Tentative Recommendations

1. Formulating of Operational Requirements

Recommendations: That the Commission consider recommending:

- Creation of an independent OSD capability for the formulation of operational requirements;
- Requiring several alternative operational requirements for each service for each mission;
- Requiring that more than one service submit operational requirements for each mission.

2. Assessment and Approval of Operational Requirements

Recommendations: That the Commission consider recommending:

- Requiring regular critique by sister services;
- Requiring that external groups such as NASA and a reconstituted PSAC critique major requirements proposals;
- Strengthening the Systems Analsysis office to provide independent analysis and advice at all stages of the process including especially operational requirements and early design;
- Either as part of a strengthened Systems Analysis or as a separate office, creating a capability for analyzing organizational components of DOD, doing implementation analyses of arms choices, and identifying for the Secretary mismatches between organizational interests, military requirements, and the Secretary's interests;
- Establishing major mission budget totals for each service—within which the service would be allowed (and, in effect, required) to make trade-offs between weapons and weapons designs;
- Strengthening the Congressional review process;
- Requiring requests to Congress to be justified on projected needs the second decade hence;
- Reestablishing within the Executive office of the President a capability for independent scientific and technical judgment, perhaps a Council for Science and Technology.

3. Development

Recommendations: That the Commission consider recommending:

- Competitive feasibility prototypes for single or multiple requirements;
- Minimizing concurrent development and production;
- Stressing austerity, small design teams, freedom to innovate, and maximum competition in the design phase with clear separation of development and production;
- Exploratory and advanced development of subsystems and components independent of development of whole weapons systems.

4. Development Specifications and Procedures

Recommendations: That the Commission consider recommending:

- Retaining competition between contractors as far into the design/development/prototyping sequences as possible for any given weapon;
- Reliance on competition feasibility prototypes facing independent testing and evaluation to put the burden of trade-offs on the developers and minimize the need for layers of specs and approval;
- Creation of an office charged with identifying the current average number of specifications and layers and reducing them by 25 per cent the first year and 10 per cent thereafter, and reporting to Congress on achievement of this.

5. Procurement Decisions and Cost Overruns

Recommendations: That the Commission consider recommending:

- Creation of independent operational test and evaluation capabilities both within each service (separate from development and operational subunits) and within OSD;
- Strengthening Systems Analysis with capability for implementation analysis as above;
- Increasing capabilities within OSD and Congress for estimating life-cycle costs.

6. Rigidities and Responsiveness of Monopolistic Products/Users

Recommendations: That the Commission consider recommending:

- Encouragement of service competition for roles and missions.

7. Understanding of the Process

Recommendations: That the Commission consider recommending:

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- Serious research and analysis of problems faced by the Secretary of Defense (and his successors);
- Creating OSD capability for maintaining concise, up-to-date histories of past and ongoing weapons developments, i.e. creating a "memory" especially for the use of new Defense Department officials;
- Strengthening Systems Analysis to do implementation analysis.

8. Responsibility and Accountability

Recommendations: That the Commission consider recommending:

- Continued upgrading of competence, stature, and tenure of program managers and procurement specialists;
- Creation of Program Management career tracks within the services;
- Creating the position of Deputy Secretary of Defense for mission analysis and systems acquisition.

9. Inattention to Arms Control

Recommendations: That the Commission consider recommending:

- Requiring Weapons Impact Statements for major weapons systems, as part of the Congressional funding process;
- Reactivating the Defense Program Review Committee (DPRC) for major choices.

10. Compromises within Defense that Fail to Attend Adequately to Broader National Interests

Recommendations: That the Commission consider recommending:

- DPRC for major issues.

III. WHY CAN'T WE DO WHAT WE OUGHT TO DO?

The Commission should have no illusions about the power of these recommendations—nor about their originality. Over the past decade many studies have scrutinized the weapons acquisition process: Rand analyses, the 1970 report of the Blue Ribbon Defense Panel, the 1973 report on cost growth in major weapons systems of the Comptroller General, policy pronouncements of Deputy Defense Secretary David Packard, and many more. With varying emphasis, each has urged reduced reliance on detailed performance requirements, greater separation of development and procurement to allow extensive testing before production commitments, reduced emphasis on exotic subsystems, increased autonomy and flexibility of program management. In short, each presages the flavor and substance of our own recommendations. Yet as the quote from David Packard highlights, a wide gulf separates ideas for reform from the reality. Why have past efforts failed? Are the obstacles to change insurmountable?

Readers of the case studies should readily intuit why reform is so difficult. New acquisition policies cannot be entered onto a clear slate. Instead, they must feed into an intricate network of established organizations, formal regulations, traditional practices, mutual expectations, systems of reporting and review, and personnel procedures. *The same organizational factors that produce adverse outcomes within the present system stand in the way of attempts to restructure the system.*

Consider the experience of two reform-minded defense officials, Robert McNamara and David Packard. McNamara's major procurement reforms involved changes in requirements generation procedures and contract arrangements. To reduce duplicative and "gold-plated" service requirements, he instituted new procedures requiring formalized project definition, with OSD review, for new weapons system programs. To control system costs, McNamara abandoned the "cost plus" contracting of the 1950's for a "fixed price" approach. The reforms in requirements generation apparently weeded out the most extreme cases of unrealistic and duplicative requirements, but at the cost of further rigidifying the requirements process and generally reducing the number of projects committed to hardware development. The contractual reforms failed completely. Instead of placing a fixed price "ceiling" on costs and inducing changes in development behavior, these contracts induced a great expansion in the number of contract amendments (eliminating the constraint of the fixed price) and left development behavior substantially unmodified. Cost, time, and performance goals fared no better for programs of the 1960's than for comparable programs of the 1950's. McNamara's reforms just barely disrupted the routine processes of established organizations.

More recently, the Laird-Packard years brought attempts to reduce the concurrency of major programs (a new policy labeled "fly before you buy"), to increase the autonomy of program management, to increase the flexibility of program contracts, and to increase the use of competitive prototyping in acquisition programs. A brief overview of the experience to date with these reforms is revealing. Attempts have been made in the past to reduce concurrency—a program to do so in the mid-1950's was dubbed "try before you buy"—but without notable success. Significantly, the F-15, showcase of

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the Laird-Packard reforms, was committed to production five months after its first flight, precisely the same time lapse between first flight and production commitment as occurred on the F-111 program. As one Senator remarked, fly before you buy is "pretty theoretical" on the F-15. Attempts have also been made in the past to upgrade service procurement personnel. Indeed, this has been a staple recommendation of virtually every official study of acquisition reform over the past two decades—with little impact. The Laird-Packard "milestone arrangements" were to give the government designated benchmarks against which to assess contractor performance at specified points in development programs. In practice, the procedure has been largely a formality to be checked off while the contractor proceeds as usual. For example, when the F-15 failed one of its milestone tests, the test itself was modified to allow the program to continue as planned, as the pressures for schedule adherence once again prevailed over contract provisions. Finally, attempts to employ prototyping more extensively have met with limited success. There are more prototype programs now than in the 1960's; however, the services have successfully resisted attempts to impose prototyping on mainline service programs. None has yet entered production. In sum, while it is too soon to judge the Laird-Packard reforms, the results to date are not encouraging.

Can the Commission expect more favorable results, even should a determined administration and Congress take its recommendations to heart? The answer is: just possibly. If Congress, defense officials, military professionals, working-level development officials, and defense contractors arrived at a consensus as to the necessity and nature of major reform, the obstacles to implementation would lessen considerably. In the past, such a vision would have meant wishing away the essence of the problem. Services and contractors have resisted admissions of failure. Subordinate development organizations have resisted suggestions that their methods are inappropriate. Many powerful Congressmen have supported this resistance, creating extraordinary barriers to the development of a consensus for major change. In the not-too-distant future, however, several inescapable facts may make continued resistance untenable for the organizations involved. These facts amount to a crisis in the weapons acquisition process. As stressed above, the military's sustained pursuit of maximum performance through an inflexible development process has resulted in exponentially increasing unit acquisition costs. Since acquisition budgets have not similarly expanded, unit purchases must decline. For example, the number of fixed-wing aircraft procured annually has suffered a dramatic drop over the past two decades. While in the 1956 to 1965 period annual unit purchases averaged 1800 aircraft per year, the 1971 unit purchases were only 565 units and the 1973 purchases only 383 units. If this trend continues as expected, it will, by itself, severely disrupt acquisition organizations and operational commands. Sizable cuts in operational forces may be required. The financial resources necessary to maintain the routine operations of development organizations may no longer be available. This disruption, or the immediate prospect of it, could lead to a wider acceptance of the need to modify present costly methods of developing weapons. It could provide the leverage necessary for broad reform of the acquisition process. It could, in other words, impose the unity of purpose that has been missing.

There are signs that this process is already at work in the acquisition of tactical aircraft. The tactical aircraft now being procured by the Navy and the Air Force—the F-14 and F-15, respectively—are expensive, multipurpose systems, developed under normal acquisition procedures. The scarcity of procurement funds is forcing the Navy and the Air Force to reduce their future buys of these aircraft. In place of these expensive systems—and under pressure from OSD—the services will likely be procuring aircraft based upon the austere feasibility prototypes initiated during the Laird-Packard years (the A-10, YF-16, and YF-17). In other words, prototype options originally established outside the mainline deployment plans of the Navy and Air Force are now likely to become mainline programs. Ultimately the Laird-Packard prototype may have served the function of expanding the menu of alternatives available to the Defense Secretary, in this case an expanded menu made viable by a coincidental stringency in acquisition funds.

Increasingly severe budgetary pressures provide an unprecedented opportunity for the reform of weapons acquisition. For the first time, the services, subunits, contractors, and development organizations may see innovation as essential to their very survival. The current situation, however, provides only an opportunity. Major reform will require more than a consensus supporting its necessity. It will require determined leadership in the Congress and in the Executive Branch. Moreover, it will require much more knowledge of the full details of the weapons process—details beyond the scope of the present assignment. The obstacles are substantial. The Commission is in a unique position to pose the challenge.

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Part III:
Formulating Strategic Doctrine

BY HENRY S. ROWEN

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Introduction*

Should a President in the event of a nuclear attack be left with the single option of ordering the mass destruction of enemy civilians, in the face of the certainty that it would be followed by the mass slaughter of Americans?

U.S. Foreign Policy for the 1970's,
A Report to Congress by Richard M. Nixon,
February 18, 1970.

Obviously a rhetorical question, President Nixon's query in his first foreign policy report posed sharply the issue of nuclear options. Evidently no one answered his question because it reappeared in three successive annual foreign policy reports. Not until January of 1974 was it responded to officially. The answer was: No. Secretary of Defense James Schlesinger announced that the U.S. was changing its nuclear plans to provide for a greater range of options, including ones that would be a good deal less "massive" than those that had been available in the past.

Many observers were surprised by the revelation that the U.S. had little flexibility in its nuclear plans. More than a decade had passed since Eisenhower's strategy of "massive retaliation" had been abandoned. In 1961, President Kennedy had adopted a policy of having a wide range of military choices. Through the 1960's Secretary McNamara advocated flexible nuclear plans. One would have thought that President Nixon should have inherited plans for a wide selection of choices from the use of one or a few such weapons on the battlefield, through larger scale use on military targets, to the option of massive attack on Soviet civil society.

Evidently he did not. Though critics were skeptical about the implication of President Nixon's question, the available evidence is clear that the President had not had a wide range of choice for the use of nuclear weapons. Secretary Schlesinger stated this unambiguously:

> In the past we have had massive preplanned nuclear strikes in which one would be dumping literally thousands of weapons on the Soviet Union. Some of these strikes could, to some extent, be withheld from going directly against cities, but that was limited even then.
>
> With massive strikes of that sort, it would be impossible to ascertain whether the purpose of a strategic strike was limited or not. It was virtually indistinguishable from an attack on cities. One would not have had blast damage in the cities, but one would have considerable fallout and the rest of it.

The advance of pre-planned, non-massive nuclear options does not mean, as the Defense Secretary had pointed out, that they could not be prepared in an emergency. But this is a different matter from thinking through in advance the problems that might arise, working on how they might be dealt with, and training people in possibly needed operations.

This case traces the history of nuclear options over nearly a thirty-year span. The central question is, why is it, in the third decade of the nuclear era, more than a decade after Kennedy's and McNamara's policy of flexible options, four years after President Nixon's query, the Secretary of Defense says that non-massive nuclear options are now in the process of being adopted?

The issue of nuclear options is not only of historical interest; it is a matter of considerable current policy relevance. The role of nuclear weapons in U.S. weapons policy in the years ahead is far from settled. If anything, the future of the subject is likely to be a good deal more complex and difficult than the past has been. Anyone who doubts this should reflect on the problem of the role of nuclear weapons in a world in which many countries, perhaps not all politically stable, possess them.

Section I of this volume is a short primer on the

*For much of the material on World War II, the author is indebted to Thomas Brown, and for the post-World War II period up to 1963 to William Kaufmann's *The McNamara Strategy* (New York: Harper and Row, 1964). The material on the history of nuclear options in the 1960's owes a great deal to Alain Enthoven, former Assistant Secretary of Defense for Systems Analysis. In addition, much material on this subject has been made public in recent months through Congressional Hearings and Defense Department reports and statements.

The author is also indebted to Graham Allison and Peter Szanton for assistance and comments in the preparation of this paper. Finally, the perspective on nuclear doctrine has been developed in the course of a project on military doctrines and postures that the author has been carrying out with Albert Wohlstetter, who has provided many useful suggestions and comments.

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institutional process of nuclear planning. Section II presents an historical overview of this subject. Section III discusses in somewhat greater detail the history of nuclear options in the 1960's under Secretary McNamara. Section IV attempts to draw some lessons from this record on nuclear doctrines.

I. NUCLEAR PLANNING PROCESS

The present process of constructing nuclear plans dates from August, 1960 when Secretary of Defense Gates created the Joint Strategic Target Planning Staff (JSTPS) and charged it with producing an integrated plan for the use of nuclear weapons possessed by all of the U.S. military commands and for coordinating this nuclear plan with our allies. The Director of this staff reports to the Joint Chiefs of Staff; from the beginning he has been the Commander of the Strategic Air Command. His Deputy has always been a naval officer. The JSTPS has provided an integrated plan for the forces of the Commander of the Strategic Air Command (CINCSAC), the Commander of U.S. forces in Europe (CINCEUR), the Commander of U.S. naval forces in the Atlantic (CINCLANT) and the Commander of U.S. forces in the Pacific (CINCPAC); he has also coordinated this plan with those of allied forces under the Supreme Allied Commanders in Europe and the Atlantic, SACEUR and SACLANT.

Until recently, the JSTPS operated under a national strategic targeting attack policy that was prepared by higher military and civilian authorities in 1960. This policy set objectives for the preparation of plans, assigned responsibilities, described the options to be developed, assigned specific tasks to be performed, and identified the forces involved. On the basis of this guidance, the Staff maintained a strategic target list and prepared the Single Integrated Operational Plan or SIOP, for short. The SIOP specified, for several options, nuclear weapons to be used, delivery systems, routes of attack, timing of attack, and the expected level of target damage to be attained. The options have been characterized in terms of three classes of targets (nuclear threat, other military, urban-industrial) and in terms of the timing of the attack relative to the launch of Soviet forces. (Timing would affect the size and composition of the U.S. forces surviving and available for launch.) The policy also specified the priority to be given to each target class. From 1960 to 1974, the priority in the assignment of weapons was first, to the urban-industrial targets, and then to nuclear threat and other military forces.[1] The capability of destroying urban-industrial targets was to be assured even with inadequate warning of an attack on our strategic forces and the consequent loss of a sizable portion of them. In short, highest importance has been consistently given to assuring a stipulated level of damage to the Soviet civil society and not to attempting to limit damage to the U.S. or its allies. However, as noted by Secretary Schlesinger in the quote above, there has existed the option of withholding strikes going directly against cities.

The basic planning process, once overall priorities have been established, is to assign weapons to specific targets. For example, air defenses might be assigned to early missile attack because their destruction is important if bombers are to penetrate reliably. The principle of "cross-targeting" has been employed in order to have high confidence against possible failure, i.e. the assignment of weapons to the same target from forces that have very different vulnerabilities on the ground to Soviet attack and different problems of penetration to target. This process involves multiplying a series of estimated probabilities, e.g. of survival, reliable launch, penetration to target, and probability of target destruction (given a specific bomb or warhead yield and weapon delivery accuracy). Weapons are then assigned to targets to achieve a given level of expected damage or a given level of damage with a certain level of confidence.[2] The result of this exercise has been the assignment of the weapons in the U.S. nuclear offensive forces (ICBM's, submarine missiles, manned bombers and theater based forces) to the three target classes.

The countries targeted in the SIOP have been the U.S.S.R., the People's Republic of China, and allies of these two powers in Eastern Europe and elsewhere. A good deal of flexibility has been provided for in the separate targeting of countries, (although when the SIOP was first created, plans did not provide for an attack on the U.S.S.R. without also attacking China; this nonseparation reflected widely held American beliefs about the monolithism of the Sino-Soviet bloc).

Over the years the number of weapons in both the U.S. and Soviet forces has increased enormously, as has the number of targets assigned to these weapons, but the number of urban-industrial targets, the most important category as defined by the American political authorities, has increased lit-

[1]A high "priority" in this context means "most important." It does not mean first in time. Presumably the most time urgent targets would be military forces, especially nuclear threat ones. Highest priority also does not mean that the greatest *weight of effort* would have to be allocated against urban-industrial targets; rather that the *confidence* of being able to destroy these targets should be high.

[2]This sequence of probabilities of course assumes a prior one, the political decision to launch an attack had occurred. As later discussion brings out, the probability that a decision to launch a SIOP attack would be made by the political authorities has come increasingly into question.

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tle. This has made possible the assignment of many more weapons to the lower priority nuclear threat and other military target categories than was possible earlier. So long as our forces survive for launch, the task of producing a high level of urban damage has not been difficult for the U.S. (nor has it, although with a lag, for the Soviet Union). However, the large increase in the number of warheads deliverable against the Soviet Union and increases in the number, hardness, and mobility of Soviet long-range nuclear forces has resulted in a decline in damage expectancies for this class of targets. And a large and growing part of this force, e.g. submarines at sea, cannot be targeted. There has been no comparable decline in the U.S. ability to deliver weapons against Soviet general purpose forces.

Centralizing and integrating nuclear attack planning has meant reconciling the objectives of several U.S. commanders as well as those of other nations, a task of considerable complexity and delicacy. Each can be expected to have his own views about what should be done to meet his responsibilities. Before August, 1960, each theater commander made his own plans for the use of his command's nuclear weapons. In addition, the commander of SAC had a separate nuclear plan for employing the major portion of American nuclear strength. And SACEUR, an allied commander, has long had his own regional plan for the employment of the forces assigned to him, allied as well as U.S.

The new directive on nuclear attack policy announced by Secretary Schlesinger covers all nuclear weapons, not just those classified as "strategic." It differs from the earlier directive not only by providing for less than massive options but, most importantly, by emphasizing the existence of non-targets, i.e. places that it would be in the U.S. interest to preserve from destruction. In the past, there had been constraints, for example, on the amount of fallout on allied and neutral territory, constraints by SACEUR on collateral damage in Eastern Europe and constraints on damage within allied territory; there also was the city withhold option. However, on the whole, it had been assumed that collateral damage to places of value to an adversary other than designated targets was a "bonus." Now it is explicitly recognized that it might be very much to the U.S. advantage to prevent damage to certain places or things of value in the Soviet Union, e.g. population centers. In short, collateral damage is now being increasingly seen as a "minus."

The current policy provides an option for attack on urban targets, but with emphasis on targeting selected war-related industrial facilities, not on widespread damage to populations. This distinction in targeting is becoming technically feasible because of the increased accuracy of weapons delivery. High accuracy lowers collateral damage both directly and indirectly. Directly by preventing bombs from missing targets and hitting non-targets; indirectly by making possible the substitution of low yield weapons for high yield ones and, in some cases, the use of fewer weapons. In short the linking of "urban" to "industrial" targets in the hyphenated phrase "urban-industrial" does not follow from the laws of physics but from a combination of doctrine and technology specific to a given era. Now both technology and doctrine are undergoing changes.

The new policy also includes the option of assigning weapons to nuclear threat targets. Most importantly, it includes limited employment options, e.g. those confined to a region or a specific objective.

II. OVERVIEW

A. The World War II Experience

The beginning of understanding of later developments is an appreciation of the significance of the experience of both the British and the Americans in strategic bombing in World War II. Although the RAF did not enter World War II with an area bombing doctrine, it soon adopted one. Britain's employment of bombing against urban areas was, in substantial measure, the unintended product of its poor bombing accuracy. Poor accuracy contributed to civilian casualties in two ways: first, even when strictly military objectives were the targets, a large number of bombs would miss the target and fall almost at random. (In the early part of the War only about one-fifth of the bombs dropped by the RAF fell within five miles of the target.) Second, the known inaccuracy led to the deliberate selection of targets in the middle of builtup areas so that the large numbers of misses would at least do some "good." It was also argued that bombs falling at random on German towns would smash German morale. This made a virtue out of necessity. These indiscriminate raids, carried out in the heat of war, were also a response to the German raids against British cities; they were also the product of British frustration in having no other way to strike directly at Germany until the invasion in 1944. Their continuation was probably dependent on the fact that the Germans could not reply in kind.

The American strategic bombers of the 8th Air Force, using optical means to bomb by day and in good weather, were able to achieve much greater accuracies than the British bombing by night. The Americans attempted to pursue a policy of precision strikes against selected targets, but there was

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a deterioration in this policy during the course of the war. German air defenses made clear weather attacks costly, intelligence limitations kept some targets from being correctly identified, and a desire to cooperate with the RAF led to strikes on targets which were really surrogates for area attacks on towns (e.g. the marshalling yards in Dresden). In the bombing campaign against Japan, a shift in the tactics of the 20th Air Force occurred when General LeMay replaced General Hansell. U.S. area attacks, for example, the fire raids on Tokyo, then became a matter of policy.

The upshot was that bombing of the war potential of an adversary, i.e. "strategic" bombing, by the end of World War II had come to be associated with large-scale civilian destruction—at least as a by-product.

B. Early Nuclear Doctrine: Continuity with World War II

The policy of strategic bombing was disputed during the War on several grounds: on the payoff from allocating resources to long-range bombers versus other military forces; on the efficacy of area attacks versus those against specific war-related factories; on the morality of area attacks. Later analysis intensified doubts about the policy of strategic bombing. Nevertheless, as American concern with the Soviet threat to Western Europe grew in the late 1940's and early 1950's, a capability of strategic bombing emerged as an essential means of coping with that threat. The belief that the Soviet Union had superior conventional strength in Europe and elsewhere around its borders, along with the knowledge that we had clear nuclear superiority, dominated U.S. defense policy for many years. Reliance on the weapon that we had a clear advantage in to counter Soviet strength on the ground seemed obvious. The ability to deliver, say, 100 weapons with yields in the tens of kilotons on Soviet major industrial centers that had the majority of its steel, petroleum refining, aircraft and munitions industries was thought to be an impressive deterrent. If the Soviets were to attack nonetheless, the carrying out of such an attack promised an important advantage —assuming that there was enough strength on the ground to keep the Russians from quickly taking over Western Europe. In short, the nuclear planning task was seen as an extension of strategic bombing in World War II—greatly compressed in time, magnified in effect, and reduced in cost. It was principally the destruction of critical war supporting industries in order to affect Soviet battlefield operations, the longer term ability of its economy to support combat and its will to continue the conflict. The designated ground zeros were almost entirely (1) industrial facilities; (2) "retardation" targets, e.g. transportation links whose destruction was intended to slow the westward movement of Soviet forces; and (3) counterforce targets, the bases of the small and concentrated Soviet long-range air force. Population damage in this period was viewed largely as a by-product of attacks on industrial and retardation targets.

In the early 1960's the Soviet long-range air force was regarded neither as a major target system nor as a threat to the survival of our own air forces. Here, too, there was an element of continuity with the past; enemy attack on our bases had not been much of a problem throughout most of World War II. However, work done at the Rand Corporation in the early 1950's showed that even a small Soviet long-range air force had the capacity to destroy our strategic bases abroad on which we were then dependent and even threatened our forces in the continental U.S. Although these vulnerabilities were correctable, this work focused attention on what was to be a continuing concern in U.S. defense planning, the possibility of the Soviets developing a capacity to destroy our strategic offensive force by launching a nuclear strike against it. This possibility had implications not only for the survival of our own forces but, more broadly, for the stability of the strategic balance. The existence of vulnerable nuclear forces on both sides would provide an incentive to both to strike first in an ambiguous situation. Concern about our vulnerability led to many actions to reduce the vulnerability of our strategic forces in the 1950's and in the years since then.

A different response to the developing Soviet long-range nuclear threat was a proposal, urged by scientists at M.I.T. and elsewhere, to build a highly effective U.S. continental air defense system. This idea was worked on in the Lincoln Summer Study of 1952 which proposed the construction of a large and costly air defense control system for the U.S. This air defense system was designed primarily to achieve very high effectiveness in defending U.S. cities against nuclear attack by Soviet bombers. Since only a small number of bombs had to get through to these cities in order to do great damage to them, the task faced by this system was formidable. It proved to be infeasible. But as late as the Gaither Committee Report in 1957, even after the development of high-yield fusion weapons and with intercontinental and sea based missiles in the offing, the advocates of defense proposed a very costly program of air defenses, anti-missile defenses and civil defenses to protect U.S. industry and population from attack. (The Report also advocated improved protection for our strategic forces along the lines that had been proposed by Rand.) It is not irrelevant to the current debate

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about flexible options to observe that many of the enthusiasts for protecting the U.S. population from attack in the 1950's were to shift in the 1960's to the position that populations were the *only* appropriate target for attack in a nuclear war.

The alternative of using nuclear weapons only or mainly on the battlefield did not seem to exist for many years. Individual battlefield targets did not present large concentrations of military value and they were too numerous to warrant expenditure of the small stockpile of nuclear weapons on them. However, the possibility of having weapons for battlefield use, or indeed limiting their use in this way, was of interest to the Army and to some scientists. Project Vista, conducted at the California Institute of Technology in 1951 was an early effort to develop this concept.

In sum, in the period before the H-Bomb was developed in the early 1950's, U.S. doctrine on the bombing of cities was ambiguous. The use of fission weapons delivered by medium and heavy bombers against the Soviet Union was part of the strategy for the defense of Western Europe. Many of the targets were selected with the intention that they have an effect, short or delayed, on the Soviets' ability to carry on a war; they were also to serve as a deterrent to attack. Attack on targets located in population centers would have caused a good deal of population damage. But the numbers of weapons and their yields were still small enough that there was a big difference in the civil damage that would have been produced then and what was to be possible within only a few years.

The possibility of building the H-Bomb produced an intense debate on the uses of nuclear weapons. Many of the opponents saw it as a weapon that could be used only against cities and didn't think it was necessary for that task; fission weapons in larger numbers were good enough for that. Many also opposed attacking cities and favored having more lower-yield fission weapons for use against military targets. The proponents did not argue that they wanted to make it easier to destroy cities; they were mainly interested in a more powerful and efficient technology. Ironically, both sides in the dispute assumed that these weapons would be usable mainly against cities, and big cities at that; both sides missed the main impact that thermonuclear weapons were to have for at least the next quarter century: the development of lightweight, medium and low-yield weapons.

However, the development of thermonuclear weapons by both the U.S. and U.S.S.R. did have consequences for the civil damage that a nuclear war would cause. Between 1954 and 1960, although the number of vehicles in the U.S. strategic force did not change greatly, the total megatonnage in our strategic offensive and defensive forces increased over twentyfold. (The peak in megatonnage—and in "effective megatonnage," another index of damage potential—was in 1960.) With yields in the megatons instead of kilotons, the delivery of only a few hundred weapons could destroy a large part of the industrial capacity and, without large-scale civil defenses, a large part of the populations of even the largest countries.

The discovery that these weapons could not only be made large in yield but light in weight, i.e. that they would have a high yield per pound and could come in small as well as big packages, made long-range ballistic missiles practical, both land and submarine based. It also meant that our strategic bomber force, which was concentrated on a small number of airbases in the U.S., and already vulnerable to a coordinated "sneak" attack by bombers, was highly vulnerable to a coordinated attack with ballistic missiles.

One consequence of the recognition of this new threat was further vulnerability-reducing changes in our strategic nuclear posture throughout the 1950's and 1960's. Another was a reinforcing of the notion that a nuclear strike had to be quick and massive rather than controlled and discriminate because strategic bases and forces could not be expected to survive long in a conflict. Still another was that as the Soviet nuclear force grew it became an important target system. And because the Soviets were slow in reducing the vulnerability of their nuclear forces, it was feasible for us to assign weapons to nuclear threat targets with high damage expectations; this assuming, not unreasonably for some contingencies, given their normal low readiness state, that Soviet forces had not been launched by the time our weapons arrived on target. By the late 1950's, the long-range delivery forces of the U.S. consisted of over 2,000 vehicles, with some vehicles carrying more than one bomb. (About 500 B-52 long-range bombers, 1,485 B-47 and RB-47 medium-range bombers and reconnaissance aircraft, B-58 bombers, and several hundred SNARK, THOR, JUPITER, MACE, MATADOR and REGULUS missiles.) This force could cover many more targets than in the late 1940's and early 1950's when there were few bombs available. Moreover, the large area of destruction produced by megaton yield weapons that became operational in the mid and late 1950's meant that attack on military or industrial targets in or on the edge of cities inevitably produced a great deal of damage to populations. In contrast with the weapons of the late 1940's and early 1950's, now it was virtually impossible to attack specific industrial facilities such as an electric power generating station in a metropolitan area without destroying most of its built-up area and the people in it. Attempts to do precision bombing during World War II had often been frus-

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trated by the need to cope with strong air defenses in daylight bombing and poor accuracy in bombing by night or in bad weather. This had produced widespread civilian damage. With thermonuclear weapons, only a few bombs needed to be delivered to destroy each target, but their effects were much more widespread and destructive.

The idea that cities were the natural targets for thermonuclear weapons was reinforced by the low accuracy expected of ballistic missiles. Mid-1950's U.S. estimates were that these missiles would have average miss distances of three to five miles; but such large inaccuracies could be more than compensated for by the large area of damage produced by high-yield weapons against cities. These weapons would also be effective against "soft" strategic forces such as aircraft on airbases and above ground, fixed missile sites. But missiles could be put under the sea and put underground and hardened, and alert bombers could be gotten off the ground on warning. But cities could not be moved.

The major command responsible for conducting strategic nuclear operations was the Strategic Air Command, the descendant of the 8th and 20th Air Forces that had carried out the U.S. bombing campaigns against Germany and Japan. Its wartime experiences were bound to have an important influence on its doctrine.[5] Shaped by its WW II experience and by the views of its longtime Commander, General LeMay, SAC became committed to a high standard of operational proficiency, a high state of readiness, and the concept of delivering a crushing blow against all sources of the opponent's strength: military, industrial, and governmental controls. The SAC view of strategic bombing was that (1) the Soviets could be deterred from engaging in virtually the entire relevant range of hostile acts, including small non-nuclear attacks, through the threat of large-scale nuclear attack; (2) the side that "prevailed" militarily would dominate in the post-war period; therefore, Soviet military forces were important targets; and (3) urban-industrial facilities and government controls should be hit because their destruction would cripple the Soviet ability to wage war and the ability of its regime to maintain control.

[5]Characterizing *the* doctrine of a command or service is a tricky business. Within these organizations there are people who have a considerable variety of values, attitudes and expectations —almost as large a variety as is held in American society. Nevertheless, within a command certain values and operational codes tend to dominate and strongly affect perceptions, attitudes and actions of its members. These are created in large measure by learned experiences and interpretations of experience. Doctrine is, among other things, a codification of learning. However, not everyone in an organization has the same experience or derives the same lessons. Moreover, changes in organizational doctrine have occurred as the result of changes in technology, experience and leadership. The past yields important information about possible future behavior, but it is a far from perfect predictor.

The SAC doctrine was clearly consistent with the overall defensive policy of the Eisenhower Administration. The principal threats to U.S. security were seen as the danger of nuclear war and the danger of excessive military spending forced by competition with the Soviet Union. Having a strong nuclear posture was seen as a way of coping effectively and economically with these dangers. It also was consistent with the "massive retaliation" doctrine enunciated by Secretary of State Dulles (although this doctrine was not regarded by him as an alternative to having more flexible means for dealing with small contingencies). The Eisenhower Administration had adopted a policy of main but not sole reliance on nuclear weapons. Given the available technology and prevailing operational concepts, the existing policy was one, in effect, of planning on inflicting massive civil damage.

C. The Emergence of Alternative Doctrines in the Late 1950's

Although the belief that thermonuclear weapons meant that nuclear war would involve massive and indiscriminate damage to civil societies was widely shared by the end of the 1950's, cities were proposed as the only nuclear targets by some Naval officers and scientists. Although earlier, in 1948, the Navy had attacked the Air Force's B-36 program in part on the grounds that the B-36 was designed for the mission of delivering nuclear weapons on cities, the invention of the POLARIS submarine missile system produced a shift. Many of the scientists who had opposed the buildup of strategic forces, had fought the development of the H-Bomb, and had favored strong aid defense for the U.S., reversed field. The threat to bomb cities shifted from being bad to being good. It was argued that these missiles could be aimed at cities and launched in a deliberate and controlled way. One variant of this general view was that the strategic force need only consist of a small (called a "finite") number of these missiles in contrast to having strategic vehicles for use against Soviet military forces as well as industrial and urban targets. On this view, aiming at long-range air force bases, missile sites, etc. was especially bad because it meant threatening a force vital to the Soviet Union; this would cause it to expand its strategic force; this, in turn, would threaten us and drive up the size and cost of our strategic forces; *ad infinitum*. The result would be an "uncontrollable" arms race as the two sides reacted to each other, all at progressively higher levels of forces and budgets.[4] Moreover, the

[4]This theory assumed, unrealistically, that the adversaries did not have available effective means to reduce their force's vulnerability as an alternative to costly multiplication; also that there were no binding constraints on available budgets.

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concealment, mobility, and therefore assumed high degree of protection of the POLARIS meant that *it* did not present to the Soviets a target which would stimulate them to increase their strategic forces and expenditures.[5] The funds saved by adopting this strategy could then be spent on the traditional forces, i.e. aircraft carriers and other forces which were still needed.

A very different doctrine was developed during the 1950's at Rand and by some Air Force officers. The context of this work was the need for assuring a protected power to retaliate. Within this context, some of the work done emphasized controlled response—but not against cities. It held that a policy of planning for nuclear strikes that had a reflex, "spasm" character, especially against cities, was irrational and unnecessary, indeed suicidal. Instead, attacks on urban targets should be withheld and any such attacks, if carried out at all—which seemed to many analysts highly undesirable—should be conducted in a deliberate and controlled way. The importance of the military outcome was stressed both in terms of the ability to erode Soviet military strength and to limit its capacity to do damage to the U.S.

The Army's view of nuclear weapons was ambivalent. It naturally wanted to make use of these modern weapons and, as the weapons stockpile grew and as low-yield, light weapons were developed by the weapons laboratories, a considerable variety of short-range weapons were developed and bought. (And some not of short range; the Army's JUPITER ballistic missile had a nominal range of 1500 miles.) The Army explored many ways in which nuclear weapons might be used on the battlefield, either in conjunction with an all-out nuclear campaign or as an alternative to it. The results were not encouraging. The tactical problems of maneuver, communications and command on the nuclear battlefield appeared formidable—not to mention the difficulties of keeping troops motivated in a nuclear engagement and of limiting collateral damage to civilians in the combat area. Moreover, there has been no assurance that the Soviets would play the preferred game of limiting nuclear weapons to low yields; for example, they might decide to try to blast through the 7th Army in Germany with high-yield weapons. The Army was divided on this matter, but on balance concluded that nonnuclear capabilities should receive most emphasis. Nevertheless, the Army acquired a large number of nuclear weapons; it did so partly because the Eisenhower Administration had adopted a policy of placing primary emphasis on nuclear capabilities and partly as a hedge against the possibility that battlefield use might actually occur.[6]

Despite the emergence of these alternatives, U.S. nuclear strategy by the late 1950's and until 1961 was dominated by the concept of the "Optimum Mix," the planned massive response by SAC to a Soviet attack abroad or against the U.S. by attacking a combination of high priority military, industrial, and government control targets. This strategy was incorporated into NATO's MC 14/2 which called for a nuclear response to any Soviet intrusion, even local, if it persevered.[7] This strategy prevailed to the end of the Eisenhower Administration despite increasing evidence, displayed vividly in Sputnik and ICBM tests, that the Soviets were building a strong capacity to attack the U.S. It persisted despite growing doubts within the Administration about the continued wisdom of the Eisenhower basic national security policy of placing main but not sole reliance on nuclear weapons.[8]

D. The Expansion of Options in the Early 1960's

The Kennedy Administration made reduced dependence on nuclear threats its major defense policy initiative. This shift was undertaken on two grounds: (1) strengthening deterrence by having more credible means of response to the more probable, i.e. smaller and non-nuclear, kinds of contin-

[5]It could, however, result in the Soviets shifting efforts to anti-submarine warfare forces. The net effect of this shift might be no reduction in Soviet military spending or even an increase.

[6]During the course of the 1950's, nuclear weapons were made available for many missions including air defense, anti-submarine warfare, tactical aircraft delivery, carrier based aircraft. Allied forces in NATO had been provided with U.S. nuclear weapons under a "two-key" arrangement which kept them in U.S. custody. By 1961, over 3,000 nuclear weapons had been deployed to Europe for use by U.S. and allied forces. By the late 1960's, the total had risen to 7,000.

[7]In the late 1950's, SACEUR, then General Lauris Norstad, introduced the concept of a "pause" after a Soviet intrusion and before the unleashing of the full power of the West. The concept of the "pause," although never very clearly defined, recognized the possibility that deterrence could fail, that mistakes or accidents could happen and that responsible governments had to have some alternative to rapid commitment to a devastating nuclear war.

[8]This was a doctrine that could be undermined only by growing Soviet ability to inflict damage on the U.S. The major effort made in the 1950's to build a continental air defense system to exact a very high attrition level against long-range Soviet bombers was never very promising. The prospect of doing effective damage limiting through active defense was greatly reduced with the advent of ICBM's because, in the 1950's, effective ABM defense seemed distant at best. The conclusion that damage limiting through active air defense was unpromising led to sharp and continuing cuts in the 1960's and 1970's. These technological developments were much less damaging to more modest possible goals for active defense: the defense of strategic forces or defense against small nuclear powers or accidental or unauthorized small attacks.

Growing Soviet capacity to attack the U.S., of course, undermined even more the doctrine of attacking only Soviet cities.

gencies which are anticipated; (2) having an alternative between suicide and surrender, if deterrence failed. This meant more emphasis on non-nuclear forces. Moreover, deeper investigation into Soviet conventional strength led to a re-evaluation of that strength *vis-à-vis* that of the NATO countries; the result was a considerable deflation of the Soviet side. The task of providing a strong non-nuclear defense of Europe, instead of seeming hopelessly impossible, came to appear to many U.S. planners (but by no means all—and certainly not to all Europeans) to be attainable. There were important NATO weaknesses, such as inadequate stocks of ammunition, which if not remedied could be fatal, but the prospect for an effective non-nuclear defense in many contingencies seemed to be far from hopeless. However, there were still uncertainties and there were some contingencies that almost certainly could not be met at the non-nuclear level. Therefore, deterring non-nuclear attack in some areas and deterring first Soviet use of nuclear weapons in all important areas still required a U.S. nuclear threat.

The upshot was no reduction in nuclear weapons abroad. On the contrary, the number in Europe was increased substantially during the 1960's. This build-up occurred for several reasons: (1) The existing policy was one of adding to theater nuclear stockpiles; a positive effort was needed to reverse it. (2) A policy of defending Europe at the non-nuclear level could not be carried out by the U.S. alone. European cooperation was necessary and the Europeans were suspicious of U.S. motivations in emphasizing non-nuclear forces and, more importantly, they were unwilling to spend money to upgrade their conventional forces. (3) The Administration, faced with European suspicions about its intentions and eager to win support for a buildup of conventional forces, was unwilling to lend support to those on both sides of the Atlantic who charged that this policy was really one of reducing the U.S. commitment to Europe (what later came to be called a "decoupling" of the U.S. from Europe). A change in policy to hold down or to reverse the flow of U.S. nuclear weapons to Europe would have been held by some to signal a dangerous reduction in U.S. commitment to Europe's defense. (4) Although the JCS did not have a sound basis for proposing the continued build-up of nuclear weapons in Europe, Secretary McNamara was not armed with powerful arguments to oppose it.[9] He went along with the increases because he did not think that increasing tactical nuclear weapons made much of a difference one way or another and saw no good grounds for making trouble with the JCS and the Europeans on this issue.

The other key defense initiative taken by the Kennedy Administration was the strengthening of our second strike capacity. Both the POLARIS and MINUTEMAN programs were speeded up and the alertness of the bombers increased. These decisions were motivated by concern for the vulnerability of our strategic force, not by consideration of targeting. They were accompanied by the retirement of the rest of the B-47 force and the phasing out of SNARK, MACE, MATADOR, THOR, JUPITER, and REGULUS missiles, the stopping of B-52 and B-58 production, and the cancelling of the B-70, SKYBOLT and the nuclear powered airplane. There were also large cuts in air defenses. As a result, the budget for strategic offense and defense forces soon began to shrink both in constant and current dollars during the rest of the 1960's and into the 1970's. However, the programmed force provided a large strategic nuclear force secure for some time into the future against advances in Soviet offensive forces. The combined effect of these changes was to reduce dependence for survival of our strategic forces on warning and quick response. The B-52's still depended on warning and alertness for their survival but the sheltered MINUTEMEN, and especially POLARIS missiles, did not. These changes helped to provide a technological basis for a strategy other than a massive nuclear response.

The importance of having an ability to respond to an attack deliberately and selectively was perceived by Secretary of Defense McNamara. For one thing, there was the possibility of a Soviet nuclear strike limited to our strategic forces; or the possibility of limited nuclear use by the Soviets against U.S. or allied troops in Europe or elsewhere; or the contingency of a large-scale Soviet attack on Europe, a contingency for which we had continually and from the very start said we would use nuclear weapons if non-nuclear means were insufficient; or the possibility of accidental or unauthorized launch of nuclear weapons. On this last possibility, there was no reason to believe that the Russians were casual about control over nuclear forces; on the contrary, they appeared to have tight, centralized control. Nevertheless, circumstances might conceivably arise in which some nuclear weapons might be launched other than through a deliberate Politburo decision. The point was not that contingencies of this sort seemed likely but that if they were to occur and the U.S. had only the choice of a massive nuclear response or doing nothing, the results would be catastrophic.[10]

[9]The standard fiscal argument wouldn't work well in this case since most of the cost of these weapons was in the budget of the Atomic Energy Commission.

[10]By the late 1950's, the idea that our strategic forces should be well protected and used in a controlled way had gained wide

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Consistent with this view, a change in nuclear planning was made in the early 1960's. Basic U.S. options were developed that differentiated more clearly between attacks directed against military targets and against cities. Although this meant a shift away from the earlier Optimum Mix, essentially a single option approach as Secretary Schlesinger has pointed out, these were still large options, i.e. they involved thousands of weapons. The principal objective remained deterring Soviet attacks, on allies as well as the U.S., by the threat to carry out large-scale nuclear operations, including attack on urban-industrial targets. A second objective was to attempt to limit damage directly in the event deterrence failed by attacking Soviet nuclear forces, by active defenses and civil defenses (but the last were difficult to sell to Congress). The indirect, and potentially much more powerful way to limit damage was to increase the adversary's incentive to limit damage to us by withholding attack on his cities. This concept was basic to the option of withholding urban attacks.

Despite his continued endorsement of the importance of controlled response as long as he was in office, the emphasis in McNamara's statements on nuclear forces and doctrine shifted after 1963 to that of Assured Destruction. This doctrine held that a nuclear exchange would, with high probability, result in over 100 million fatalities in both the U.S. and the U.S.S.R. and that attempts to limit damage through active and passive defenses could be readily defeated by improvements in offensive forces. The principal test of adequacy of the U.S. strategic force came to be the ability of our programmed force to produce civil damage, even against a greater than expected threat. The damage criterion settled on by McNamara for determining the size of the strategic force was the destruction of 20–25 percent of the Soviet population and 50 percent of its industrial capacity. The programmed forces decided on in the early 1960's readily met this test. So readily that it seemed evident that our forces were more than adequate. The primary purpose of the Assured Destruction capabilities doctrine was to provide a metric for deciding how much force was enough: it provided a basis for denying service and Congressional claims for more money for strategic forces. It also served the purpose of dramatizing for the Congress and the public the awful consequences of large-scale nuclear war and its inappropriateness as an instrument of policy. (However, it was never proposed by McNamara or his staff that nuclear weapons actually be *used* in this way.)

Assured Destruction was symmetrical. It implied that limiting damage to the U.S. population against large direct nuclear attack was infeasible or too costly. Nevertheless, direct damage limiting continued to be asserted as an objective for strategic offensive and defensive forces. However, analyses of the cost of protecting populations versus the costs of destroying them—assuming that the enemy sought to kill people as distinct from regarding population damage as a by-product of attack on military targets—showed the defense to be at a cost disadvantage. It would have to spend a good deal more than the offense, e.g. a factor of three times, at each level of damage. This unfavorable ratio, the high costs of such a defense, perhaps along with the political obstacles to persuading the Congress to support a nationwide fallout shelter program, led McNamara and President Johnson to conclude that damage limiting on a large scale should not be pursued. In a special message on defense to the Congress in February, 1965, Johnson said that we should be alert to the possibility of limiting destruction to ourselves, but that a comprehensive damage limiting program would be costly and uncertain in effectiveness. He also said that defense expenditure would comprise a declining proportion of a growing GNP with the resources freed going to meet other needs.[11]

There were serious problems with the doctrine of Assured Destruction. For one thing, there was a continued affirmation of the U.S. intention to use nuclear weapons for the defense of Europe if needed. But many Europeans—and Americans—

acceptance. But there were large differences in targeting concepts, described above. Meanwhile, the operators had to work with the equipment on hand which wasn't very compatible with these notions of controlled use. Many of the warheads had multi-megaton yields, missile accuracy was poor, manned bombers and unsheltered missiles, if not launched quickly, risked destruction, and low level penetration of bombers meant ground or near ground bursts which produced enhanced fallout.

[11]Damage limiting was not abandoned altogether. It might be feasible under favorable circumstances. The most important of these were cases in which a mutual interest in survival produced mutual restraint. But for such cases, given the high weapon yields projected in the strategic forces, fallout protection was important. Studies showed such protection to be highly cost-effective, but the combination of low confidence in the prospect of restrained behavior along with the political costs of trying to get fallout shelters, prevented the Johnson Administration from advocating them.

Earlier, a large fallout shelter program had been advocated by the Gaither Committee in 1957 as part of a larger program of strategic offense and defense, and had been rejected by President Eisenhower. In 1961, there had been a brief period of interest in shelters during the period of greatest concern over the escalation of the Berlin crisis.

The principal exception to the movement away from the objective of direct damage limiting during the 1960's was the argument used in 1967 to justify building a "thin" ABM system, justified mainly as an anti-Chinese defense, designed against a small, technologically unsophisticated nuclear power but not against deliberate large attack by the Soviet Union. The alternative of a "thick" ABM defense against the Soviet Union was explicitly excluded.

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continued to believe that Europe, or important parts of it, could not be reliably defended at the non-nuclear level. And it was becoming decreasingly credible that we would commit suicide in the event of an attack on Europe. Would it be deterred if our only nuclear response to an attack abroad were a suicidal one? To be sure, McNamara continued to mention, albeit briefly, the case for flexible nuclear response and of the objective of limiting damage (but we had visibly cut back on active air defenses, civil defenses, and had no plans for anti-missile defense of populations).

Increasingly what was being communicated to the American people, the Europeans, and the Russians, was the prospect of 100 million dead Americans and a similar number of dead Russians (and also of dead Europeans) if a nuclear exchange were to occur. McNamara sought to resolve the conflict between this doctrine and our commitments to allies by persuading our NATO allies to have sufficient non-nuclear strength not to be dependent on the threat of first use of nuclear weapons. Although his arguments were substantively powerful, they were not highly persuasive to the Europeans and, in any case, they left unsolved the problem of what to do if the Soviets used these weapons first. Any nuclear use by the Soviets (or the Chinese for that matter) that left us with a stake in the continuance of our society faced us with the need for having a non-suicidal response capability and policy.

E. Nuclear Doctrine After 1968

President Nixon's strategic doctrine, labelled Strategic Sufficiency, was put forward in several annual "State of the World" reports. It meant (1) having strategic forces strong enough to inflict enough damage to deter strategic attacks on us and our allies and strong enough to face an aggressor contemplating less than all-out attack with an unacceptable risk of escalation; (2) also having forces strong enough to keep the U.S. allies from being coerced. It contained themes that had been put forward by McNamara earlier: there should be no indiscriminate mass destruction of civilians as the sole response to challenge; the ability to use force in a controlled way helps deterrence; if war comes we need some way of preventing escalation; there should be no policy of launching missiles on warning. But nowhere in his public statements did President Nixon state that actions had been taken consistent with the position he was asserting. He was hardly in a position to do so because the JCS were given no directives to develop flexible options until 1974. Such flexibility as there was, which consisted mostly of some contingency plans outside of the SIOP, had been prepared on the initiative of the JCS and the major commanders.

Strategic Sufficiency as described by Nixon's Secretary of Defense, Melvin Laird, centered on four objectives: (1) having a second-strike capability adequate to deter an all-out surprise attack on our forces; (2) providing no incentive to the Soviet Union to strike first in a crisis; (3) preventing the Soviet Union from having greater ability to do urban-industrial damage to the U.S. than we could do to it; and (4) being able to defend against small attacks or accidental launches. It also included having forces adequate to prevent allies as well as the U.S. from being coerced by having strategic nuclear forces that could enhance theater and allied nuclear forces and also having alternatives to resorting to mass urban and industrial destruction. This version of the doctrine repeated familiar themes: the importance of a second-strike capacity, reducing first-strike incentives, protection against small attacks, the need for flexible options, the contribution of strategic forces to defense of allies. It also echoed the theme of Assured Destruction (while explicitly rejecting it) in stating the objective of the U.S. as being able to do more civil damage to the Soviet Union than *vice versa* (objective 3 above). On balance, while there was a tilt toward a policy of flexibility and discrimination, it was hardly a clear shift in policy.

Secretary Schlesinger's arguments for flexible options are also similar to those used by McNamara; the differences largely reflect changes in the military situation from the 1960's to the 1970's. He has stated two purposes: to help the credibility of deterrence and to help keep conflict at a low level if it were to occur. However, in contrast to the early 1960's, the objectives of limiting damage to the U.S. by having the capacity to deny physically the Soviets the ability to kill U.S. civilians has been rejected. Schlesinger has emphasized that the Soviet force is beyond the U.S. capability to eliminate, not least because it has a large, untargetable submarine component. He also has argued that a policy of flexible options does not require any change in our force structure; i.e. we don't need new forces or new technology in order to be more flexible in employment.[12]

[12]Some confusion has been caused by Schlesinger also announcing the development of a new large warhead for the MINUTEMAN, a warhead which has some transient military use in attacking some military targets, such as Soviet hardened missile silos. (Its value is transient because improvement in missile accuracy is increasing missile effectiveness anyway without the need of larger warheads; improvements in accuracy also help make possible large reductions in collateral damage.) He has justified this proposal in terms of perceptions of the U.S.-U.S.S.R. strategic balance; the Soviet missile force has a much larger payload capacity and larger warheads than does the U.S. one. The proposed large warhead should, he has argued, be

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Emphasis on the development of nuclear options would be on contingencies of special concern to our allies, e.g. the deterrence of major attack on Western Europe and an improved ability to respond to such an attack in a non-suicidal way. As in the 1960's, strong non-nuclear capabilities are essential, but smaller nuclear options are also needed for deterrence and for defense. As an example of a class of targets whose destruction might assist the defense of Europe, Schlesinger has mentioned the Soviet oil refining industry, an industry whose output was arguably essential for a successful Soviet attack on Western Europe. Clearly, having the ability to destroy targets such as refineries while preserving non-targets such as people requires precision in attack. In fact, improvements in accuracy have permitted reduction in warhead yields so that such attacks are becoming feasible. (The change from early ballistic missile accuracies is striking.) Another contingency mentioned by Schlesinger is the possibility of a Soviet attack limited to U.S. ICBM's and SAC bomber bases; if the Soviets chose to limit collateral damage, the resulting U.S. fatalities could be held to a small fraction of the fatalities produced from direct attack on U.S. cities. In recent testimony he has compared the population damage from a Soviet SIOP type of attack with American fatalities of around 95–100 million from prompt effects plus fallout with the fatalities from more discriminate attacks. An attack on ICBM silos, SAC bases and ballistic missile submarine bases was estimated as producing 5–6 million fatalities; one on ICBM's alone, about 1 million, and on SAC bases alone, about 500,000 fatalities. In short, discriminate attacks are becoming feasible.[13] This does not mean that contingencies such as these are at all likely or that discriminate nuclear capabilities will be used. On the contrary, these are remote possibilities. But these capabilities, it is held, improve deterrence—and could make a large difference in the event of deterrence failing.

Finally, on the subject of obstacles to implementation of a policy of limited options, Schlesinger has mentioned problems of command and control, limitations in existing hardware, and the "mental approach" of the planners. On this last obstacle, it apparently requires significant changes in operational techniques to develop the kinds of options desired; the variety of constraints implied by the new guidance evidently presents difficulties for the planners and operators. Moreover, it is difficult to think through and to anticipate specific contingencies in which small nuclear options might be used. (It is, of course, very much harder to think of realistic contingencies in which massive use of nuclear weapons would take place.) Detailed planning for an actual contingency done in the middle of a crisis isn't likely to be done well. Moreover, much might be done in advance to develop materials and techniques applicable to a wide range of situations. Without this preparation, the alternatives available in the crisis are likely to be a poorly executed attempt to be selective, too massive a use of force, or most likely, governmental paralysis.

III. A CLOSER LOOK AT AN EARLIER EFFORT TO EXPAND OPTIONS

President Kennedy came into office in 1961 committed to the proposition that the U.S. needed a wider range of military capabilities. He and his associates gave highest priority to improving the non-nuclear strength of U.S. forces, an effort which persisted throughout the decade. On nuclear forces, the main effort was on assuring that our strategic forces were well protected against a possible surprise attack. There was no initial commitment by the new Administration to a specific targeting doctrine. There was, however, a disposition to stress control and flexibility in the use of force.

A. McNamara's Initiative

Secretary McNamara's interest in nuclear planning was engaged from the outset. One of the initial

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considered in the context of the Strategic Arms Limitations Talks, a context within which we were trying to get agreement to reduce missile numbers and total payload. We were willing to trade away this addition to our counterforce capability in SALT, but we needed some currency to trade with. This warhead provided such coin. It had nothing to do with flexible options. Nevertheless, the collocation of these two policy pronouncements caused some confusion in press reporting and hostility among those opposed to nuclear flexibility anyway.

He argued that our strategic force should have some ability to destroy hard targets, even though he prefers to see both sides without major counterforce capabilities. He also favors a program of fallout shelters and population relocation for the contingency of attack limited to military targets.

[13]In order for the Soviets to pursue a selective nuclear policy, they would need (1) to be able to deliver a certain number of nuclear weapons of medium or low yield with precision; and (2) to practice restraint in a conflict, for example, by choosing targets so as to limit collateral damage. On point (1), the Soviets are improving the accuracy of their weapons. The Defense Department has reported that they have achieved or will soon achieve ICBM accuracies of 500 to 700 meters. As for warhead yields, the constraints imposed by having missiles mobile, e.g. in submarines, and of adopting MIRV's are producing a Soviet trend towards smaller warheads in a significant part of its force. Moreover, the use of air bursts rather than surface bursts would both increase blast effects against military targets and reduce collateral damage from fallout. On point 2, although restraint in a nuclear conflict is by no means assured, it would be powerfully motivated by self interest; there is little in the record of the behavior of Soviet leadership to suggest that it has a taste for suicide.

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ninety-six tasks he set for the Defense Department shortly after taking office was the development of a doctrine for the controlled use of nuclear weapons. In an early briefing on the existing nuclear plans, it was pointed out to him that they didn't offer a choice between attack on urban-industrial targets and attack on military forces. Moreover, they didn't provide for the flexibility to attack some Communist countries without attacking others. As a result, McNamara directed Alain Enthoven, who created and headed the Office of Systems Analysis in the Office of the Secretary of Defense, to work with the Joint Staff to develop a greater range of options. This was done. McNamara sent the draft guidance to the JCS. It was endorsed by them and was issued.

The new guidance distinguished more clearly among the three tasks described in Section I, attack on (1) nuclear threat targets, (2) other military forces and (3) urban-industrial targets. It also provided options for withholding attack by country and for withholding direct attack on cities. However, the tasks all involved large attacks, and civilian damage, at least from radioactive fallout, would have been very heavy. And there was not a clear distinction between "urban" and "industrial" targets, a distinction that had almost disappeared in the 1950's with the advent of high-yield weapons.

Secretary McNamara also argued the need for nuclear flexibility in a number of major statements. An important occasion was the NATO meeting at Athens in May of 1962. The burden of the Athens message was repeated in a public speech in June in Ann Arbor in which he said:

> . . . the mere fact that no nation could rationally take steps leading to nuclear war does not guarantee that a nuclear war cannot take place. Not only do nations sometimes act in ways that are hard to explain on a rational basis, but even when acting in a "rational" way they sometimes, indeed disturbingly often, act on the basis of misunderstandings of the true facts of the situation . . . The U.S. has come to the conclusion that to the extent feasible basic military strategy in a possible general war should be approached in much the same way that more conventional military operations have been regarded in the past. That is to say, principal military objectives, in the event of a nuclear war stemming from a major attack on the Alliance, should be the destruction of the enemy's military forces, not of his civilian population . . . In other words, we are giving a possible opponent the strongest imaginable incentive to refrain from striking our own cities.

In subsequent annual posture statements he reiterated the need for flexibility:

> Furthermore, it is possible that the Soviet's initial strike might be directed solely at our military installations, leaving our cities as hostages for later negotiations. In that event, we might find it to our advantage to direct our immediate retaliatory blow against their military installations, and to withhold our attack on their cities, keeping the forces required to destroy their urban-industrial complex in a protected reserve for some kind of period of time.
>
> Accordingly, we should plan for the 1965–67 time period a force which could: 1. Strike back decisively at the entire Soviet target system simultaneously; or 2. Strike back, first, at the Soviet bomber bases, missiles sites and other military installations associated with their long-range nuclear forces to reduce the power of any follow-up attack—and then, if necessary, strike back at the Soviet urban and industrial complex in a controlled and deliberate way. Such a force would give us the needed flexibility to meet a wide range of possible general war situations.
>
> (FY 1966 Posture Statement)

In talking about global nuclear war, the Soviet leaders always say that they would strike at the entire complex of our military power including government and production centers, meaning our cities. If they were to do so, we would, of course, have no alternative but to retaliate in kind. But we have no way of knowing whether they would actually do so. It would certainly be their interest as well as ours to try to limit the terrible consequences of a nuclear exchange. By building into our forces a flexible capability, we at least eliminate the prospect that we could strike back in only one way, namely, against the entire Soviet target system including their cities. Such a prospect would give the Soviet Union no incentive to withhold attack against our cities in a first strike. We want to give them a better alternative. Whether they would accept it in the crisis of a global nuclear war, no one can say. Considering what is at stake, we believe it is worth the additional effort on our part to have this option.

(FY 1964 Posture Statement)

NATO should not only have an improved capability to meet major non-nuclear assaults with non-nuclear means and forces prepared for that option, but it should also achieve a true *tactical* nuclear capability which should include a broad, flexible range of nuclear options, short of general nuclear war and the means to implement them.

(FY 1966 Posture Statement)

B. Internal and International Reactions

The reaction to this policy initiative was not encouraging. Senators Russell and Margaret Chase Smith attacked the "no cities" doctrine as a policy

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of weakness, a policy which revealed to them a lack of resolve. Senator Russell, an opponent of flexibility, was no advocate of Mutual Assured Destruction; he also said that if there were only two people left in the world both of them should be Americans. Politicians on the left were no more supportive. Some of them saw nuclear flexibility as a policy which legitimized nuclear weapons and made nuclear war more likely. Many of these were people who, after Sputnik, came to advocate a policy of planning to bomb populations as a means of stabilizing deterrence.

Among our allies the reaction was mixed. Some favored the policy for the reasons McNamara gave. Those who supported national nuclear forces opposed it because they depended on the argument of population bombing. (They also wanted to keep a U.S. nuclear commitment to Europe, a preference which cut *against* population bombing.) Still others among allies were confused by McNamara's concepts and suspicious of U.S. motives.

The response of SAC and the JSTPS to this initiative was mixed. On the one hand, they welcomed the explicit recognition by the Secretary of Defense of the importance of the military outcome of a conflict; on the other hand, there were operational difficulties to be coped with. The constraints on tactics implied by this policy were a problem; for example, the constraints against ground bursts of nuclear weapons in order to reduce fallout. Moreover, the SIOP planning process formally produced a capabilities plan, not a requirements plan, and in reality it was not unconnected with the process of generating requirements for delivery systems. Because McNamara's early formulation didn't distinguish sharply between capabilities planning and force requirements, one result was varying service responses largely addressed to the subject of requirements. For example, in 1963, General LeMay testified as follows:

> Many people unfortunately measure the effectiveness of a proposed deterrent force by counting the number of enemy citizens to be brought under attack.
>
> As you know, it doens't take much of a nuclear force to destroy a large number of enemy cities. But the destruction of cities *per se* does not protect U.S. and allied lives.
>
> Only the destruction of his military forces can do this. Therefore, an entirely different force capability is required to destroy those weapon systems posing a threat to U.S. and Allied populations.

This looked like a pitch to increase the Air Force strategic budget a lot. But by no means were all of the service reactions similar to LeMay's. The Army favored small strategic offensive forces, large active defenses, and, most importantly, strong general purpose forces. The Navy had earlier argued for small strategic forces but now favored more submarine based missiles (not ICBM's and manned bombers) and more of its type of general purpose forces, e.g. carriers. Those whose primary interest was disarmament favored lowered strategic budgets and this they linked to massive population bombing which they thought could be done cheaply. (Explicitly or implicitly, this meant support for the proliferation of national nuclear forces.) Many analysts at Rand, or who had been at Rand, were against larger strategic budgets and favored better protection and control for the strategic force, and the development of an improved capacity for non-nuclear and limited nuclear responses.

The reaction of the Soviets to the American discussion was first to deny that limitations in war were possible, including the distinction between non-nuclear and nuclear conflict. Later, Soviet commentators shifted to the position that conflicts might be held to the non-nuclear level. But the possibility of a limited nuclear conflict was rejected in the Soviet literature during the 1960's.

C. McNamara's Interest Cools

On balance, to McNamara it appeared that a policy of nuclear restraint was going to be widely interpreted as implying that we could fight, win and survive a nuclear war and that we should therefore spend much more money on strategic forces, money that would have to come out of conventional force budgets. This forecast, and the general controversy, interfered with a far more important task which was to see to the building up of non-nuclear strength so that nuclear threats would be less necessary. As he saw it, we weren't likely to get both a flexible nuclear policy and stronger conventional forces, and he knew which was the more important. Moreover, the possibility of nuclear war had not seemed completely remote during the crises of 1961 and 1962, and after the Cuban missile crisis of November, 1962 its likelihood seemed to recede. Planning of nuclear options seemed increasingly abstract and remote from the key defense issues. McNamara, therefore, began to stress increasingly the doctrine of having an Assured Destruction capability, the central and overriding importance of having a high confidence capability to inflict great civil damage on the Soviet Union.

McNamara, while increasingly talking about Assured Destruction, apparently remained of the view that any actual U.S. use of nuclear weapons should be controlled and restrained. He apparently also came to believe that the task of preplanning nuclear options was a hopelessly difficult one because the

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contingencies in which weapons might be used were so unpredictable that nuclear planning could be done only when the contingency arose. The main task for him was trying to assure that major conflicts did not occur, and trying to cope with any that might break out without the use of nuclear weapons. The instruments for this were the general purpose forces. The nuclear forces had little to contribute.

As a result, his interest in improving the flexibility of the SIOP diminished. The planners, who had limited enthusiasm for limited options, read McNamara's Assured Destruction signals as meaning that they did not have to develop a wider range of options. The resulting employment doctrine was not one of flexible options; nor was it really Mutual Assured Destruction either (and still less its mini-variant, Minimum Deterrence). We had a strategic force far too large to be justified by that doctrine and most of our planned targets were military forces. In sum, the nuclear planning process experienced no important change from the early 1960's until 1974. The assignment of weapons to a growing target list went on in accordance with the political direction established in the early 1960's.

IV. ANALYSIS AND CONCLUSIONS

A. The Gap Between Policy Enunciation and Operational Behavior

The record suggests several reasons for the continued existence of plans for the massive use of nuclear weapons only, and for the persistent gaps between these plans and the objectives of policy frequently asserted by senior government officials.

The existence of large gaps between policy and operational behavior is a common phenomenon. High officials place great weight on policy statements. They do so because formulating policy goals and communicating them to the public, to Congress, and not least, members of the bureaucracies, is one of the principal responsibilities. Officials in the Executive Branch are also responsible for the execution of policies. But getting policies executed is usually a more difficult matter than formulating them. The aspect of policy over which Presidents and other high officials have greatest control is making speeches and issuing policy statements. Just about everything else is harder to do.

Moreover, high-level policy statements are usually broad and incorporate multiple and sometime conflicting objectives. They are broad because they are intended to cover a wide range of circumstances, many unforeseeable, at least in detail. They are multiple because the purposes of policy are complex; there are usually trade-offs among different objectives and some may be directly opposed to others. Choices must be made. For example, Secretary McNamara's elaboration of Assured Destruction was designed to educate the Congress and the American people on the catastrophic consequences of nuclear war and to hold down the strategic offense and defense budget; it conflicted directly with his need to assure the Europeans that the U.S. would use nuclear weapons first if needed. Faced with this conflict, he chose to emphasize the first rather than the second strand of policy.

The process of implementation is also affected by the fact that people in operating organizations have perceptions, objectives and constraints which differ from those of higher officials. Moreover, the latter often know little about the operating environment, the perceptions, the goals and problems of the operators. Because policy directives are usually broad, they must be interpreted by middle level officials. Within the limits of general policy, the choices made by subordinates may not correspond at all closely to what was intended by the higher officials. Nor are the choices made in implementation and their consequences always visible at the policy level. Assuring close correspondence between policy and implementation requires an incentive on the part of senior officials to work on the latter, a means of monitoring what is happening, and the will and ability to make adaptations as difficulties with the execution of policy as originally formulated become evident. This sequence can break down at any stage. The implementation of Secretary McNamara's flexible options initiative in the early 1960's was aborted in large measure by the withdrawal of his interest and support. Had his interest been sustained, other obstacles might have emerged.

Moreover, choices among general policies, budget decisions on weapons and forces, and decisions on current plans are different sorts of decisions. Some concern communications to adversaries, allies, the Congress and public; some, capabilities years ahead in the future; and some, actions that might have to be taken in a war that might come at any moment. As a result, the actions taken can appear to flow from inconsistent policies without this really being so. But there can be a spillover from one arena into another. It turned out to be difficult in the early 1960's to operate in the use arena without having an impact on the requirements arena. Perhaps greater awareness of the need to distinguish sharply between these two distinct activities would have helped.

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B. The Demands and Costs of Flexible Options

There are other reasons why stated policies might not be implemented. These reasons can be viewed both from the point of view of the *demand* for flexible options and the *costs* of obtaining them.

From the demand side, high officials of the last four Administrations asserted the importance of having more nuclear flexibility. But it is evident that this was not seen as an urgent need. An important operational test was the absence of a Presidential directive to this end before 1974. It was not seen as urgent because of the widely shared belief that major war would not occur. The Soviets would not attack areas vital to our interests and, in particular, they would not use nuclear weapons first. They would not do so despite their great non-nuclear strength applicable to areas around their borders and despite their rapidly growing nuclear strength. This belief was less firmly held during the crises of the early 1960's and after the Cuban missile crisis in 1962, but most of the time nuclear options were regarded as sound policy, not a compelling matter. Sound policy implied that even a small probability of nuclear war called for choices other than massive nuclear attacks. But other, more immediately pressing matters, e.g. building up non-nuclear forces or coping with Vietnam, usually absorbed the attention and energies of high officials.

On the cost side, the shift in Secretary McNamara's position illustrates one kind of cost, pressures for additional forces and budgets. Another cost is in high-level time and effort to work with operational staffs in order to make the right policy decisions. This is a process which is least costly if proposals "bubble up" from below (as Dean Acheson characterized much of the policy-making in the State Department). But flexible nuclear options was not a policy which the members of the JSTPS or JCS organizations advocated. They had developed some, but by and large small options were not lobbied for by these staffs. They perceived difficult problems in carrying out controlled and discriminate strikes, such strikes placed constraints on them that they wanted to avoid, and the doctrine of the overwhelming massive strike still had a strong hold. Moreover, the operators might have perceived another kind of cost. To them, limited options might have appeared dangerous and unreliable but politicians might not recognize their limitations. Military commanders want to be given well defined tasks to perform, and the authority and resources needed to carry them out. They don't want to be committed to large tasks without adequate authority and means. (One of the lessons many military men and others have derived from Vietnam is that, once the political decision was made to send combat troops, we should have gone in with enough force to settle the conflict quickly instead of getting progressively more involved over time without being able to end the conflict decisively.) From an operator's viewpoint, a nuclear exchange in which the politicians try to mastermind the conflict while keeping the commanders from carrying out what they regard as necessary military operations could be a frightening prospect. (On the other hand, a massive nuclear war conducted without political guidance and constraints is an even more frightening one.) In short, there were perceived costs on all sides of implementing flexible nuclear options.

C. Other Organizational Factors

Other organizational factors probably played a role including the centralizing of nuclear planning in 1960 in Omaha. For one thing, the Strategic Air Command is primarily dedicated to the operation of manned bombers. The problem of reliably delivering a few weapons with a small number of manned bombers against an intact Soviet air-defense system could be formidable. (There might also be certain problems in using missiles instead; for example, in preventing the opponent from believing that a massive attack was being launched against him.) Another possible factor is the difference between the environments in which SAC and the submarine missile force operate and those of the theater commands. The latter are much more involved with and aware of political factors and constraints in their regions than are the former. But actual contingencies arise in particular places, i.e. within theaters and theater commanders might be expected to develop a more discriminate view of the role of military force in dealing with these contingencies and for the role, if any, of nuclear weapons. Long ago it led SACEUR to introduce constraints on the employment of nuclear weapons in Europe. Some theater commanders have come to believe that nuclear weapons have no significant role to play in their area. On the other hand, to have left nuclear planning entirely decentralized would have been inefficient and hazardous, especially in view of the vast increase in Soviet long-range delivery capabilities; also because SAC, and more recently CINCLANT and CINCPAC with their submarine missiles, have controlled most of the nuclear assets. Putting the globally oriented command with the largest forces in charge may have cost something in political sensitivity and tactical nuance, but centralized control made it possible to plan to apply forces in a coordinated manner from a broader perspective. Now the perspectives of the theaters must somehow be given greater weight.

Technological limitations have also been an im-

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portant obstacle. The operators must work with the equipment made available by those who make the R&D and procurement decisions. Decision-makers in the 1950's made technological choices on warhead yields and delivery systems which severely constrained the operators' choices in the 1960's. This constraint is becoming less binding as R&D and procurement choices in the 1960's provide the operators of the 1970's more choices.

Finally, there has been a conceptual gap. Plausible examples of contingencies in which nuclear weapons might be used by a country with the prospect of a "favorable" outcome have been in short supply. This may be because such contingencies do not exist, or it might reflect a failure of imagination on the part of analysts. But governments often buy military capabilities with only a general idea about their future uses. Weapons often end up having been used for purposes quite different from those intended when bought. One of the things that has inhibited thought is the belief that nuclear war is impossible. Many people have taken comfort in the belief that so long as nuclear war is made as terrible as possible it won't happen. But nuclear contingencies are, one hopes, remote, not impossible. The required intellectual task is one of thinking systematically about nuclear contingencies that might arise, how such contingencies might be prevented from occurring, possible objectives of the adversaries in such contingencies, and how mutually observed constraints might be arrived at and preserved during a conflict. The purpose of such planning is to lower the likelihood of nuclear war while trying to protect various U.S. interests. One of these interests is the survival of American society if nuclear weapons are ever used. It is sometimes argued that thinking about nuclear options makes them more likely. This seems implausible. The purposes here are similar to those in planning non-nuclear options. Officials of several Administrations have attached importance to non-nuclear capabilities and plans not because they wanted to get into a conventional war; they did so because they judged that a non-nuclear response to non-nuclear attack would be much more credible than a nuclear one and that it could be militarily effective in many contingencies. They also have believed that the "firebreak" between non-nuclear and nuclear weapons provides a clear "stopping point" in escalation. This is probably the most important "stopping point," but it is not the only one. There could be limitations in types of targets, in the collateral damage produced, in the geographical area of conflicts, in the use of bases, among others. Limitations apply to nuclear as well as non-nuclear conflict in the sense that there would very likely be a strong mutual incentive in finding such limits. The improved capabilities for precision help by making it possible to substitute small warheads for large ones and, as accuracy improves, non-nuclear warheads for nuclear ones. This trend in technology helps to further an important objective of policy, raising the nuclear threshold.

The task of implementing a flexible options policy remains formidable. The sustained attention of senior officials is required and this is a commodity always in short supply. Implementation will require continued monitoring, probably the solving of a number of difficult conceptual and operational problems, and perhaps, some new hardware. It may also require a change in institutional arrangements with the DOD. One possibility is creating a permanently established Nuclear Planning Review Committee charged with oversight responsibilities, a Committee whose members would include both senior military and civilian officials. But, even with some form of added institutionalization, this subject is peculiarly one that requires attention by those at the highest level, the Secretary of Defense and the President.

None of this, of course, assures that, if the U.S. implements a discriminate nuclear and non-nuclear policy, other nuclear powers will build the forces which would be consistent with a policy of discrimination; nor does it assure that the participants in a nuclear engagement would behave with restraint and that civil damage to the participants would be less than catastrophic. But to the extent it is implemented by us, it reduces the likelihood that we would be faced with the choice of holocaust or surrender; to the extent it is not implemented by the Soviet Union or other nations it increases the likelihood that they would be faced with such a choice. Despite the bargaining advantage we might possess in such a situation, we should favor our adversaries as well as ourselves having alternatives to massive destruction.[14]

[14]On one issue, controversial a decade ago, there is near consensus now within the U.S. It is that the nuclear forces and deliverable warheads of both the U.S. and the U.S.S.R. are in excess of reasonable levels. Having small, flexible nuclear options today is not nearly as likely to generate strong support for increasing nuclear forces as it was feared a decade ago. The main factor working now for increases in our strategic forces is the increase in Soviet strategic forces. The SALT negotiation process has focussed attention on certain indices of strength such as numbers of missiles, numbers of MIRV's, throwweight and the like which only very imperfectly measure the effectiveness of these weapons in realistic contingencies. Ironically, SALT has intensified pressures for us to match the Soviet's higher level in several of these indices.

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Part IV: Managing Alliances

EDITED BY GREGORY F. TREVERTON

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Introduction

Part IV of the Defense and Arms Control Study presents eight case analyses of United States relations with allied governments.* Each is a study in alliance management and the problems that arise in organizing the American government for that task. U.S. alliances—committing the U.S. to the defense of more than forty nations—constitute the cornerstone of American foreign policy. The art of managing those relationships is crucial and difficult. One major element of the alliances is managing arrangements for common defense. It is around that topic that these cases cluster.

The cases selected cover the main lines of alliance activity related to defense: determining force levels and paying for troops, managing joint weapons development, resolving matters connected with military bases, and providing security assistance. The range of specific issues dealt with in the studies is broad: from German-American negotiations over the foreign exchange cost of stationing U.S. troops in Germany; to the 1962 Anglo-American snafu connected with the nuclear missile, Skybolt; to the set of "shocks" administered to Japan in 1971 by U.S. policies toward China, the international monetary situation and Japanese exports of textiles. Some of the episodes, like the 1967 German-American foreign exchange ("offset") negotiations, were successes; others, such as the Skybolt episode, were clear and dramatic failures.

The cases contain many puzzles. American actions are often difficult to comprehend without extensive knowledge of the policy-making processes that produced them. Why, for example, did two such close allies as the Americans and the British misunderstand one another so badly in 1962? Why did the U.S. government decide, in 1969, to relinquish control over Okinawa when it had been unwilling to do so several years earlier? Or why did such a seemingly esoteric issue as "offset" become high politics in 1966, with American actions on the issue playing a role in the downfall of the German government of Ludwig Erhard?

Alliances, and alliance concerns to which organizational arrangements are relevant, are matters which go far beyond defense. Other Commission research, particularly the cases in foreign economic policy and in relations with South Asia, address issues similar to those discussed here. This chapter should be read in conjunction with the evidence and conclusions emerging from those studies.

The cases outlined in this volume raise a number of major concerns and problems that must be confronted in organizing the United States government for alliance management. Here are some examples, case by case.

- *OFFSETS AND TROOP LEVELS. Issue:* United States troops in Germany: how many and how to share the foreign exchange costs with Germany? This was a major issue in U.S.-German relations after 1961. Three episodes are offered: one, 1966, a political crisis; and two others, 1967 and 1969, relative successes result-

*These cases were prepared specifically for the Commission on the Organization of Government for the Conduct of Foreign Policy. Several drew on work being done for other purposes as well. Part IV, prepared by Gregory F. Treverton, makes full use of information and language from the studies. The full studies are available in the "Background Volume on Alliance Management." The studies are:

1–3. Troop Levels and Offset: "Offset and American Foreign Policy-Making," done by Gregory F. Treverton and based, in part, on a larger project supported by the Twentieth Century Fund.

4. Skybolt: analysis and evaluation done by Richard E. Neustadt and Jay Urwitz on the basis of Neustadt's classified "Skybolt Report" for President Kennedy in 1963 (available to the Commission in classified form) and the unclassified version of the case in Neustadt's *Alliance Politics* (New York: Columbia Univ. Press, 1970), pp. 30–53 and 126–51.

5. MLF: analysis and evaluation done by Treverton and Graham T. Allison on the basis of description drawn from "MLF—Or, How He Does It," Chapter seven of Philip Geyelin's book, *Lyndon Johnson and the World* (New York: Praeger, 1966); John Steinbruner's, *The Cybernetic Theory of Decision* (Princeton, 1974); Neustadt's memorandum, "The British Labour Party and MLF," dated July 6, 1964; and memoranda and notes by Mark Iwry.

6. Okinawa: "Okinawa Reversion, done for the Commission by Priscilla Clapp, building on work in progress at Brookings. Jay Urwitz prepared a case analysis for Okinawa and Morton Halperin did lengthy comments.

7. Nixon "Shocks": "Organizational Approaches and their Foreign Policy Impacts: The 'Nixon Shocks' of 1971," prepared for the Commission by I. M. Destler.

8. Security assistance: the basic case, "The Undersecretary of State for Security Assistance: Creation, Implementation and Evaluation," by Robert W. Miller, Jr., and Henry B. Miller; and a brief example, "Security Assistance: The Taiwan Case," by Robert W. Miller, Jr.

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ing from somewhat different decision processes in the American government.

Organizational concerns: The United States government, and most allied governments, are organized by function. Departments handle the issues delegated to them in accord with their sense of primary departmental mission. What happens to issues in which security and economics are inextricably joined, issues which cut across the agendas of major departments and do not fit neatly into habits of thought or customary procedures? How can those issues be identified and managed so that serious troubles are avoided and major opportunities seized?

- *SKYBOLT. Issue:* joint weapons development and the perils thereof. In 1960, Britain staked its nuclear "independence" on an American pledge to develop and sell a new air-to-surface missile, Skybolt. When the U.S. canceled the missile in 1962, the two allies engaged in a minuet of the blind, Britain expecting the U.S. to offer a substitute, the U.S. waiting for a request. A flap developed and escalated rapidly at an Anglo-American summit between the President and the Prime Minister. The issue was resolved by an American pledge to sell the British Polaris, but not before the "special relationship" had been sorely strained on both sides.

  Organizational concerns: How can the U.S. government comprehend the high-level politics and decision-making processes of allies, even those as familiar as the United Kingdom, and design its actions accordingly?
- *MLF. Issue:* joint weapons development revisited. This time the United States, after pushing the MLF for several years (a NATO surface fleet, mixed-manned and carrying nuclear missiles), reversed course and sank the proposal. Yet President Johnson did so, in December 1964, armed with clear analysis of the British and German politics of the issue. MLF's demise provoked no row.

  Organizational concerns: foreign assessment again, this time a success.
- *OKINAWA. Issue:* foreign military bases. Continued American control of Okinawa became an issue in Japanese politics in the late-1950's, and was raised regularly at biennial Japanese-American summits. Military claims of the importance of complete operational freedom in using Okinawan bases frustrated change. After a decade of discussion of the issue in various fora, the U.S. agreed, in 1969, to relinquish control of the island and place American bases under a status acceptable to the Japanese.

  Organizational concerns: Agencies, this time the military services, controlled an issue and played their "buttons" for military and security reasons alone. Political side-effects went untended. How, in general, can issues thought of in "military" and "security" terms be infused with "diplomatic" considerations? And what mechanisms can accomplish that for specific issues?
- *"SHOCKS" TO JAPAN. Issue:* accounting for the effects on major allies of U.S. actions taken for other reasons. Three major actions of the Nixon Administration in 1971—the China initiative, the devaluation of the dollar and the ultimatum to Japan on the textile issue—came as surprises and cruel shocks to Japan, which had staked its postwar foreign policy on a close alliance with the United States. The two countries had agreed, in 1970, to coordinate their China policies, but the next year the Japanese government received only a few minutes of private warning of the President's impending trip to China.

  Organizational concerns: pluses and minuses of a "closed" policy-making system. Ironically, the same system that produced the China success administered, simultaneously, the shock to Japan. Policy-making prior to all three actions was restricted to President Nixon and a narrow circle. In each case, no major official who might have argued for consideration of the effects of an action on Japanese politics or on the alliance could break into deliberations, or even knew what was happening.
- *SECURITY ASSISTANCE. Issue:* who controls the provision of security assistance to allied nations. The process of providing security assistance has seemed beyond the control of Congress and, on occasion, even of senior civilian officials in the Executive Branch. Persistent calls for the integration of security assistance with broader American foreign policy goals led, in 1971, to the creation of the Undersecretary of State for Security Assistance. He was given a mandate to "coordinate" security assistance. What changed? Little.

  Organizational concerns: American "foreign policy" with respect to many allied countries consists largely of security assistance. But, as with Okinawa, military "buttons" get pressed primarily with an eye to military considerations. How can those activities be infused with political considerations? The case suggests that doing so is extremely difficult, a warning to would-be re-organizers.

Part IV points up common strands in the eight cases. It seeks to be explicit in each case about the effect of organization on the actions of the United

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States government and on outcomes. Chapter 2 presents the lead study, which consists of three successive cases on troop levels and offsets. These cases provide background and context for the cases that follow. Chapter 3 offers brief overviews of the five remaining cases on alliance management. Chapters 4 through 8 present the summaries of each case: detailed description, analysis, and evaluation. Each of these summaries is a "miniature" of the larger, longer case histories, which are available in a separate background volume. Finally, Chapter 9 makes tentative recommendations, attempting to draw some lessons from the cases about the organization of the U.S. government for alliance management.

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CHAPTER 2

"Offsets" And American Force Levels In Germany: 1966, 1967, 1969

Based on a case by Gregory F. Treverton

This chapter presents very summary versions of three cases.* Each is an episode in United States government handling of "offset"—the arrangements whereby the Federal Republic of Germany has covered some portion of the foreign exchange cost of maintaining American forces in Germany. An economic issue, offset has been linked intimately to a political/security issue, the level of American forces in Europe (two-thirds of which are in Germany). That link existed because American decisions about its contribution to NATO conventional defense could not be divorced from the level of European effort, in large part because Congress insisted on minimizing the balance-of-payments deficit attributable to American troops stationed abroad. The offset cases afford a look at American management, in an alliance context, of the intersection of economics and politics, of a cluster of issues which crossed the agendas of major Executive departments.

*The presentation of this case, the lead case in Part IV, originally was much more detailed. The original version was drastically abbreviated at the request of the State Department and the National Security Council. Commission members did, however, have access to the original version. And the longer version was itself related to a book-length treatment prepared by the case analyst, Gregory F. Treverton. That book, sponsored by the Twentieth Century Fund, will appear in the latter part of 1976.

The original version of this study could not have been prepared without the benefit of more than fifty interviews of participants in the events recounted, both Europeans and Americans. Those interviews were conducted on a "background" basis, and no specific reference is made to them in the study. The individuals interviewed are listed in an appendix to the full case. For their time and effort, the case analyst is most grateful. In preparing the original version of this study, the case analyst was given access to classified government documents under Commission rules, which precluded quotation or direct citation. The classified record has sharpened the presentation of the case but does not differ in fundamental respects from what was obtained through interviews or from sources in the public domain. The case analyst has profited greatly from comments or earlier drafts provided by many people, especially including Graham T. Allison, Francis M. Bator, C. Fred Bergsten, Morton Halperin and Mark Iwry.

Events on both sides of the Atlantic brought what had been a smoothly functioning offset system to crisis during 1966, raising the issue to the attention of the highest political leaders of both governments. German-American deliberations with respect to offset played no small part in toppling the German government of Chancellor Ludwig Erhard in the fall of 1966. That series of events is the first case. The second case is the second act of the first. In the fall of 1966, the contentious issues of offset and force level were, at Washington's initiative, folded into the so-called Trilateral (American-German-British) Negotiations; the second case deals with American decision-making leading to the successful conclusion of those negotiations, in May 1967. A final case examines, in outline, the deliberations of the U.S. government in the process of negotiating a later offset agreement, the one concluded in 1969. In 1969 the issue was handled by the formal National Security Council system machinery, at a time when the system functioned generally as originally envisaged. Government actions produced by a formal, White House-centered system can be compared with the results of less formal coordination during the Johnson Administration.

The offset case raises problems that appear and re-appear in the other cases. Several aspects of policy-making will be singled out. Most important is coordination: how can the U.S. government identify and manage the process of decision on issues where decentralized operations by the various departments may create trouble or miss opportunities? Other important organizational questions in offset are the role of Congress and procedures for reporting and analyzing the behavior of foreign governments.

The offset story must be understood in the context of "business-as-usual" in alliance relations. Business-as-usual means decentralized operations, constrained by routine coordination. Procedures

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for clearing cables, preparing for visits by foreign leaders, and the like assure some awareness by the departments of each other's intentions. But many decisions and actions are taken by individual departments and agencies, each dealing bilaterally with its counterpart, each operating its own "buttons" within broad guidelines of Presidential policy and interagency clearance. American officials, from many departments at various levels, communicate, day-to-day, on literally hundreds of issues with their counterparts in the German government. So it must be in relationships as close and complex as those which link Americans and Germans, Britons or Japanese. The alternative to decentralized operations is paralysis.

For example, at the same time as Defense Secretary Robert McNamara was pressing German Defense Minister von Hassel over German offset compliance, the Defense Department was urging the Federal Republic to increase its contribution to NATO. The State Department was endeavoring to enlist the Germans in common front during the NATO crisis which followed the withdrawal of the French. State was also seeking German support for U.S. policy in Vietnam and fretting about the effect of Soviet-American non-proliferation treaty negotiations on German politics. Treasury was looking for German help with the French in international monetary affairs. Kennedy round trade negotiations were beginning, so Commerce and Agriculture had their own issues to take up with Bonn. And so on. It was within this context that the cases examined here arose.

This chapter is divided into five sections. The first presents a brief overview of the three episodes, concentrating on the decisions and actions of the American government. That summary description permits some analysis of the impact of organizational arrangements on the major American decisions and actions. Section II presents that analysis. Section III *evaluates* the performance of the government, concentrating on the 1966 and 1967 cases. Section IV compares the performance of alternative organization structures, and Section V enumerates the problems displayed in offset.

I. OVERVIEW

A. The Origins of Offset

Concern over the foreign exchange costs of American troops in Germany emerged in the last years of the Eisenhower Administration. For fiscal year 1961, expenditures on world-wide foreign stationing contributed $2.4 billion to the U.S. balance of payments deficit, with the portion attributable to troops in Germany (then about 240,000 in number) calculated at $600 million. A poorly prepared and internally ill-coordinated American mission, headed by Treasury Secretary Anderson, proposed in November 1961 that the Germans assume some of the direct costs of the American garrison in Germany (payments to civilian employees, local procurement and the like). The request for direct support was vigorously opposed by the German government of Konrad Adenauer, and the Anderson mission concluded with minimal results.

In the fall of 1961, however, the two defense ministries did reach agreement on another offset formula. Germany, then re-arming, agreed to make major new arms purchases in the United States in the expectation that those purchases would neutralize ("offset") the foreign exchange drain occasioned by the presence of U.S. troops in Germany for the foreseeable future. In fact, from mid-1961 through 1966 German offset payments did approximately equal American military expenditures in the Federal Republic. The two-year agreement was renewed in 1963 and 1965, amounting to nearly $700 million per year under the latter accord.

Following the American precedent, the British separately negotiated their own offset agreements with the Federal Republic (the British Army of the Rhine, BAOR, numbered about 55,000). Anglo-German offset pacts never provided the British a full offset, even though the U.K. was willing to include civilian procurement (by German government agencies) as well as military under the agreements.

The form of offset was from the start a matter of convenience. As the Germans pointed out, there was no economic reason to separate a bilateral account from the overall American balance of payments problem (a proposition that had some force since the U.S. was pointing out the same fact to the Japanese at this time). Germans argued that a "military" sub-account made even less economic sense. And least reasonable of all was American insistence that military balance of payments deficits be covered by military purchases alone. Yet from the U.S. perspective, with devaluation unthinkable, these arrangements were attractive: operating on sub-accounts was one way to lessen the U.S. deficit and American leverage was greatest in the area of military deficits and purchases. Equating German procurement with American expenditure—and later searching for means to fill the "gap" between the two—was a sideshow, however, to the President's central purpose: inducing the Germans, and other Europeans, to hold dollars, rather than cashing them in for gold. But once the bilateral offset form had been established, domestic political pressures made it hard to abandon. The Trilateral Negotia-

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tions of 1967 produced the important German promise not to buy gold and an American agreement to accept bonds as well as military purchases to offset the deficit in the military account. Bilateral offset negotiations persisted, however, even after a fixed dollar exchange rate ceased to be sacrosanct, in 1971.

1. CASE 1: THE 1966 "CRISIS"

Events on both sides of the Atlantic conspired to produce a crisis in the offset system. The United States continued to run persistent, though moderate, balance of payments deficits, and gold conversions continued, despite Administration attempts to stem them. With the beginning of hot war in Vietnam, the problem grew much worse. The British pound remained under pressure; there was a serious run on the pound in July 1966. In Germany, the economic boom slowed in 1966. Revenues lagged behind spending, and the government of Chancellor Ludwig Erhard was faced with a budget deficit it could remedy only at political peril. At the same time, the re-supply of the Bundeswehr (German Army) was regarded by many Germans as basically complete. The government was caught in a nasty bind: money from deficit budgets deposited (in advance of purchases) with the U.S. Treasury under the terms of the existing offset accord was, in the view of many Germans, difficult to spend fruitfully.

Over the summer of 1966, American officials focused on the issue of a *renewal* offset agreement, the accord then in effect due to expire on June 30, 1967. They recognized German economic difficulties but were slow to note that those problems posed a threat to the *existing* agreement. Erhard mentioned his problems with offset in a letter to President Johnson, dated July 5, 1966, but the Chancellor was not specific, suggesting only that the two chiefs of state discuss the matter in September when Erhard came to Washington for one of his periodic visits.[1] Only in early September did officials in Washington come to understand clearly that German compliance with the existing agreements was in doubt.

The debate in the U.S. over the terms of a *renewal* agreement had raged since early spring, gradually raising offset deliberations from the lower-level channel in which they were normally handled to the attention of the government's senior officials. Senior Presidential advisors were divided: Defense Secretary Robert McNamara and Treasury Secretary Henry Fowler wanted to bargain hard with Bonn for a new agreement again composed only of military procurement; they were opposed by State Department and White House officials who felt it would be necessary to broaden the new agreement to include additional forms of offset.

Two factors forced that argument to a head. First, as part of an austerity program taken in the wake of the July run on the pound, the British government began to press the Germans for an improved offset. An Anglo-German Mixed Commission began work in August, with the British clearly threatening to draw down the BAOR if the U.K. offset were not improved significantly. The second stimulus to action was more direct. The American Embassy in Bonn cabled, in mid-August, that the Germans were about to begin their budget season and that if Washington did not want offset endangered by economy measures in the 1967 German budget, it had to act quickly.

After a series of meetings with his principal advisors, the President reached a decision. That decision represented a setback for the McNamara/Fowler position. While the United States would expect the Germans to comply with the terms of the *existing* offset agreement, it would offer the Federal Republic more offset options in the *renewal*, that agreement to be negotiated in trilateral discussions involving the British. The expectation about the existing agreement, pressed for by McNamara, was not regarded by State Department and White House officials as threatening; if the German problem were more serious than anticipated, let Bonn say so.

But Bonn did not begin a dialogue with Washington. The Germans seem not to have understood the change of policy the U.S. had made with respect to the subsequent agreement or not to have thought it important. In any event, Erhard, in deep political trouble at home, felt he needed a big "victory" sooner than seemed possible through the trilateral format. He preferred to stake everything on a face-to-face appeal to the President.

He made that appeal in Washington the last week of September. The U.S. had relented part way on the existing agreement, but President Johnson was unwilling simply to "forgive" the Germans a substantial portion of their commitment. Erhard agreed to the idea of trilateral discussions. An arrangement for German fulfillment of the existing agreement was worked out, but that arrangement required both additional budgetary appropriations by the German Bundestag and participation by the German Bundesbank (Central Bank), which was autonomous from the central government, formally and in practice. Erhard endeavored to put the best possible face on the visit, but it was well-understood in

[1]The July 5th letter is discussed in Walt W. Rostow, *The Diffusion of Power: An Essay in Recent American History* (New York: The Macmillan Company, 1972), p. 396.

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Germany to have been less successful than the Chancellor had hoped.[2]

The Chancellor slid rapidly downhill from there. Blocked in an attempt to cut government spending in order to balance the budget, he turned to tax increases. The proposal for tax increases was linked to Erhard's failure in Washington partly in fact and powerfully in symbol. The "shortfall" in German arms purchases under the existing agreement—about $900 million—was suggestively close to the projected German budget deficit of one billion dollars. More important, it appeared that Erhard had to tax his own people because he had been rebuffed by his American "friends."

In November, the Free Democratic Party (FPD), the junior partner in coalition with Erhard's Christian Democrats, broke with the Chancellor, leaving him at the head of a powerless minority government. After another month of negotiations, the Grand Coalition government of the CDU-CSU and SPD (Social Democratic Party) was formed, with Kurt-Georg Kiesinger of the CDU as Chancellor and Willy Brandt of the SPD as Foreign Minister. The Erhard government barely functioned in its last months, so the change in Bonn was no major disaster for the U.S., although the Grand Coalition clearly was unlikely to fulfill its predecessor's commitment to increase Germany's contribution to NATO. The U.S. escaped direct blame for Erhard's demise, but nevertheless a residue of suspicion directed at the U.S. was carried from the old government to the new.

2. CASE 2: THE TRILATERAL NEGOTIATIONS

The Trilateral Negotiations began in October 1966, with John J. McCloy, former High Commissioner for U.S. occupied Germany, as the American negotiator. His counterparts were Karl Carstens, Foreign Office State Secretary (undersecretary), for the Germans; and George Thomson, Minister of State for Foreign Affairs, for the British. However, serious negotiations could not begin until after the beginning of the new year: first there was only a distracted German government to deal with, then none at all, then a new one which had first to set its own house in order.

The American conception of the Trilateral Negotiations explicitly linked offset and force levels; that linking acknowledged only what was the case anyway, since the most obvious way to reduce the foreign exchange drain connected with the stationing was to reduce the level of the troops. A generous German offset offer would diminish the balance-of-payments argument for cutting the number of soldiers. By contrast, pressing the Germans very hard on offset could be seen, tactically, as a means of inducing the Federal Republic to "ask" the U.S. to thin the garrison.

The American government was thus confronted with a set of interrelated decisions: whether or not to reduce the level of forces in Germany, and if so, by how much; what sort of offset bargain to seek with Germany, and how tightly to link offset with the troop level question. Throughout deliberations, the British problem bore crucial relation to American decision-making, for if the British reduced, it would have been extremely difficult for the U.S. not to follow suit. In the fall of 1966 the United States acted to forestall immediate cuts in the BAOR, while the longer-term issue was how to balance the U.S. desire for maximum German offset for itself with the American interest in seeing the British obtain an offset which would minimize the need to reduce the strength of the BAOR.

Senior American officials were divided on the central issues, and those divisions were played out in all of the several arenas in which offset/troop level policies were debated. McCloy, who had been charged with making an independent report to the President, counselled against any troop reduction,[3] making both military and political arguments. He and his State Department allies wanted to decouple offset and force level, believing that a modest offset would serve the Administration's purposes with Congress. On the other hand, McNamara pressed for either a large German financial offer or a substantial troop cut, probably preferring the latter (he recommended a two-division, or 70,000 man, cut).[4]

The eventual Presidential decision, made in late February 1967, was a compromise which included the basic elements embodied in the eventual Trilateral agreement: the United States would make a troop cut, but a modest one; and new German offsets would need not be composed only of military

[2]For general accounts of the visit, see the *New York Times*, September 26–28, 1966; the latest of those issues contains the communiqué signed by the two chiefs of state. For reactions to the visit in the German parliament, see *Deutscher Bundestag* (proceedings), 5th Period, 6th sess. (October 5, 1966). The Bundestag debate is also covered in the *New York Times* of October 6.

[3]McCloy described his views in 1967 to a later Congressional hearing. See *The American Commitment to NATO*, Hearings before the special Subcommittee on NATO Commitments of the House Committee on Armed Services, 91 Cong., 1 sess. (1971–72), p. 13564.

[4]In testimony before Congress in April 1967, just at the time the Trilaterals were concluding, McNamara stated his belief that a two-division reduction was militarily acceptable. He was, however, opposed by the Joint Chiefs of Staff, who wanted no reduction. For a reference to McNamara's remarks, see *United States Security Agreements and Commitments Abroad, Pt. 10: United States Forces in Europe*, Hearings before the Subcommittee on United States Security Agreements and Commitments Abroad of the Senate Committee on Foreign Relations, 91 Cong., 2 sess. (1970) pp. 2068, 2250.

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procurement in the United States but could include "financial measures" such as German purchases of U.S. Treasury securities, or a German promise not to convert its dollar holdings for American gold.

The American decision paved the way for the successful conclusion of the Trilaterals, although there was considerable further wrangling about terms for the British. Bonn was concerned at the end about the size of the U.S. Air Force withdrawal which was to accompany the troop reduction.[5] The context of the discussions was darkened by German annoyance at what Germans called "defects" in German-American consultation with respect to the Soviet-American negotiations over a non-proliferation treaty (NPT).[6]

Agreement was formally announced on April 28, 1967, with details released on May 2.[7] Major provisions were: (1) The U.S. would withdraw two army brigades and four fighter-bomber squadrons (up to 35,000 men), the British one of nine brigades of the BAOR (6500 men). The American reductions took the form of a "rotation": the division's three brigades would rotate through Germany in turn, with the other two brigades remaining in the United States. (2) Germany would make significant new arms purchases in the U.S., but with no commitment specified. It also agreed to a level of procurement in Britain, and Washington committed itself to increase its procurement in the U.K. (3) Finally, the Federal Republic would buy $500 million in special Treasury securities, at 4½% interest. The Bundesbank also made public its pledge not to convert its dollar holdings into gold, in effect agreeing to finance any American deficit to the full extent of the German balance-of-payments surplus.

3. CASE 3: THE 1969 NEGOTIATIONS

The Trilateral agreement was only one year in duration, but a follow-on agreement—also for one year—was easily negotiated in 1968. It repeated the 1967 formula.

The Nixon Administration took office in 1969 just in time to begin another round of negotiations. The issue was fed into newly created National Security Council (NSC) machinery; an interagency study examined the issues carefully and posed options. After the study was discussed in the NSC, President Nixon decided with the Federal Republic soon to begin a national election campaign, not to press the Germans too hard over offset. Slightly later the Administration decided not to reduce the level of American forces in Europe: in effect, offset had been separated from force level.

Given that decision, it appeared that an offset agreement would be easily concluded. Two additional factors suggested that this should be the case. The U.S. balance of payments appeared somewhat better in 1969.[8] And in October 1968, the German Bundestag approved the purchase of 88 American RF-4E Phantom jets, for a total cost of about $500 million. That purchase would of course count under any offset pact.

As it turned out, however, reaching agreement was not easy. Many parts of the Washington bureaucracy, especially Treasury and civilians at Defense, had been unhappy with the 1967 and 1968 agreements, which they considered "give-aways." Some officials of the new Administration were eager to better the offset record of their predecessors. The Presidential decision set forth only a general guideline, and there is no evidence that either Nixon or his National Security Advisor monitored the subsequent process closely enough to insure that Presidential intention became government action. Detailed offset positions were hammered out in the Undersecretaries Committee, whose principal participants on offset were Nathaniel Samuels, Deputy Undersecretary of State for Economic Affairs; David Packard, Deputy Secretary of Defense; and Paul Volcker, Undersecretary of the Treasury for Monetary Affairs.

In the end, bargaining with the Germans was hard and protracted, despite the Presidential decision. The result was an agreement, signed in July, which resembled the two previous accords but was by far the most complex of any offset agreement before or since.[9] Of the two-year total of $1.52 billion, more than half was military procurement, a sharp rise over the previous agreement attributable

[5]The disagreement over the Air Force redeployment was mentioned by both Secretary Rusk and Undersecretary Katzenbach, in *United States Troops in Europe*, Hearings before the Combined Subcommittee of the Senate Committees on Foreign Relations and Armed Services, 90 Cong., 1 sess. (1967), pp. 62 and 50, respectively. It is also discussed in an article in the *New York Times*, April 24, 1967.

[6]Johnson took note of German unhappiness in several communications to Bonn in the spring of 1967. Both that and the plane issue were discussed when Johnson met Chancellor Kiesinger at Adenauer's funeral, in Bonn in late April.

[7]The letters agreed to on the 28th were not made public, but the basic contents of the agreement were released by the State Department on May 2nd and in simultaneous publication, by the Treasury and Federal Reserve, of correspondence between the two countries.

[8]The figures, on the official reserve transactions basis, were +4.6 billion dollars for the first quarter of 1969, and +4.9 billion for the second quarter (seasonally adjusted annual rates). *Economic Report of the President*, (Washington, 1970), p. 277.

[9]For details of the agreement, see *U.S. Forces in NATO*, Hearings before the House Committee on Europe and its Subcommittee on Europe, 93 Cong., 1 sess. (1973), p. 322; and Federal Republic of Germany, Press and Information Office, *Mitteilung an die Press*, July 9, 1969.

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mainly to the Phantom contract. The rest of the agreement was a *pastiche* of German purchases of Treasury securities, advance debt repayments, investment credits for German investors in the U.S., and interest relief granted the U.S. There was even a provision for the inclusion under the agreement of a small amount of civil procurement by the German government, purchases which seemed clearly additional to those which would have occurred in any case.

II. ANALYSIS: IMPACT OF ORGANIZATIONAL ARRANGEMENTS ON U.S. DECISIONS AND ACTIONS

This section and the one which follows it concentrate on Cases 1 and 2, the events of 1966 and 1967. Both sections seek to make explicit the effect of structure and process on policy outcome in the offset case. This section *examines* the impact of organizational arrangements on various aspects of the policy process—information-gathering, consideration of alternatives, implementation, and so on—while the next section *evaluates* overall government performance in each case against an idealized list of procedural criteria.

The nature of U.S. deliberations changed through *the 1966–67 period,* and it *will be sub-divided,* somewhat arbitrarily, *into four phases: (A) the period before Erhard's July 5th letter; (B) the period between the letter and the August decisions; (C) the time between the August decisions and Erhard's visit to the United States in late September; and (D) the period of the Trilateral Negotiations proper* (the early stages leading to the McCloy report might be broken out but will not be since his report merely fed into deliberations in February and March).

A. What Interests/Considerations Were Introduced in the Policy Process?

In general, the overriding feature of Case 1 is the extent to which decentralized operations permitted offset to be treated solely as a balance of payments issue with a military sales "face." That was crucial in shaping American actions during the early period, while offset was controlled by Defense and Treasury. It colored later deliberations as well.

During the initial phase and despite the fact that there was high-level attention paid to offset, Defense and Treasury interests dominated the issue: protecting the U.S. balance-of-payments position by selling arms. Because the issue officially belonged to Defense and Treasury, and because the views of the Secretaries accorded neatly with those of their operating offices, it was hard for State to secure attention to other considerations. That Treasury saw the issue in terms of balance of payments consequences is understandable. The single-mindedness of Defense's commitment to a balance of payments/military sales definition of the issue reflects Secretary McNamara's determination to reduce his department's contribution to the balance of payments deficit, reinforced by the regular "gold budget" report that monitored his performance (and that of his assistant for military sales abroad).

In phase B (August deliberations), Defense/Treasury interests continued to be important, but offset was pulled out of its previous channel and brought before the government's senior officials in a forum conducive to a broader conception of U.S. interests. State Department and White House officials succeeded in making the case for beginning to redefine the issue in the next round of negotiations —over a *renewal* agreement—based on U.S. interests both in maintaining its existing level of forces in Europe and in not administering a shock to NATO.

Still, the offset issue had been defined and the earlier definition framed the debate, contributing to the government's failure, in August, to heed clear signals that German compliance with the *existing* agreement could be in doubt. In context, it was difficult enough to get the terms of the upcoming agreement out on the table. McNamara continued to play a strong role. For him, offset melded with a general interest in conserving foreign exchange while the deficit occasioned by Vietnam piled up. Offset also offered him an opening to help solve another problem high on his agenda, raising troops for Vietnam, given the President's unwillingness to pay the domestic political costs of mobilization. Moreover, McNamara did not feel that withdrawing one-third of the American troops in Germany, with appropriate provisions for their return, would significantly reduce NATO's effective defense. Fowler fell into natural agreement with McNamara, since his brief was worrying about the balance of payments.

Nothing in the structure of deliberations forced McNamara to think as hard about the political effects of American actions on the Germans, or on NATO, as about his more immediate problems. Secretary of State Rusk's reluctance to do battle with the Defense Secretary was strengthened by the feeling that the issue still lay within Defense jurisdiction. Undersecretary of State George Ball, about to leave government after having seen his arguments about both Vietnam and Europe rejected by the President, was hampered both organizationally and personally in making a strong case for political

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interests. Consequently, the Secretary of Defense's views continued to dominate the government's deliberations.

In the period leading up to Erhard's visit (phase C), Erhard's problem became clearer to Washington officials. As that consideration entered the deliberations, the United States moved somewhat beyond the August position. In preparation for a high-level visit, White House staff and State assumed larger roles. By the end of August, a subcabinet working group—dubbed the "Rostow group" after its chairman, Undersecretary of State for Political Affairs, Eugene Rostow—began to operate. The group drew an adequate "map" of the tactical issues, alternatives, and costs and benefits for the President. His decision not to grant Erhard more relief than he did derived less from structural features than from the balance-of-payments context and from the President's own sense of his interests.

After the Chancellor's downfall, during phase D, McCloy's presence influenced the set of considerations involved in the policy process. McCloy included an officer from the Joint Staff on his own staff, drew much of the rest from the State Department, and generally insured that advocates of the "no-cut" position would be well represented. Still, his report owed less to the structure of his staff than to his own preferences. The President may well have known what he would receive when he commissioned McCloy; in any case, the McCloy exercise served the President's interests.

The onset of the Trilateral Negotiations also altered the handling of offset/troop level within the Defense Department, to important effect. The issues were withdrawn from Foreign Military Sales and moved to International Security Affairs (ISA). At ISA, John McNaughton's deputy for Europe, Frederick Wyle, worked on the McCloy staff. Wyle and his subordinates were opposed to a substantial withdrawal of American forces from Europe and injected their preference into the discussions. They also were able to provide data which demonstrated that the United States could make arms purchases in Britain with relative ease, thus enabling Washington to compensate for any shortfall in the German offset for the U.K.

By the end of this phase, all issues were out on the table and virtually all considerations were represented. Several aspects of the form of deliberations insured that would be the case: the addition of McCloy plus the increased role of Rusk, often urged on by members of the [Eugene] Rostow group, with Francis Bator (the responsible White House staff officer) serving as master of ceremonies and filling the gaps. A long memorandum prepared by the Rostow group in February, for example, was an adequate presentation of U.S. interests.

B. How Did Organizational Arrangements Affect the Information Available?

Throughout the offset case, most information relevant to decisions on the issues at hand was produced by organizations which had a parochial interest in the information. Treasury monitored the U.S. balance of payments situation, while it and Defense's Foreign Military Sales office kept track of German payments and orders for weapons under the offset agreements. Both the Joint Staff and ISA produced information and analysis, often contradictory, on a variety of military questions—the military balance in Europe, the importance of U.S. troops stationed there,[10] or the requirements of the war in Vietnam and its implications for the garrison in Europe, to cite several examples. The State Department had no source of independent information on military matters. That hindered its involvement in the debate over the level of forces, especially early in the case. Later, during the Trilaterals (phase D), no one outside the Pentagon could muster sufficient information to analyze the merits of the rotation plan.

Information on German deliberations became critical in phases B and C. Information-gathering was hampered by Erhard's secretiveness and by the possibility that the Germans did not themselves understand the seriousness of their plight until the last minute. But State Department reporting, even on a subject as difficult as political implications of the foreign budgetary process was—contrary to the case analyst's expectations—quite good, *when Washington asked the right questions.* For example, in response to inquiries from Washington, the embassy in Bonn apparently noted quite clearly by the middle of August that German fulfillment of the *existing* agreement was doubtful. In the absence of questions from Washington, however, reporting on the German economic situation was vague and that on Cabinet and Bundestag politics affecting offset amounted to little more than journalism.

The major difficulty lay in the receiving apparatus. The August deliberations contained no hint that the existing agreement might be an issue. Why? Perhaps, the information was disregarded in the rush of events. The structure of debate did not facilitate discussion of the existing agreement. Understanding the implications of the information might have been hindered by two mind-sets in Washington. The Germans customarily made a large offset payment at the end of the calendar year out of unexpended Defense Ministry funds, and American officials might have been slow to understand that such a payment was unlikely to be forth-

[10]For a description of the competing analyses of troop reduction in Europe, see the *Washington Post*, March 13, 1967.

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coming in 1966. More important, Bonn budgeted on calendar years while offset payments came due at the end of U.S. fiscal years. Thus, the 1967 German budget affected *both* the existing and the successor agreements, a nuance which was missed by many in Washington even though it was raised in reports coming from the embassy.

Several organizational and quasi-organizational features may have played a role in inhibiting the information flow. There was a Treasury man in Bonn, one with considerable tenure there, but if he knew more than his State Department colleagues, he had little incentive to share information which, after all, undercut *his* Department's preferred position. Some intelligence reporting was useful, as was mentioned previously, but much of it was "froth," composed mainly of comments on personalities. And State's Bureau of Intelligence and Research (INR) does not by custom provide the kind of focused analysis which would have been necessary. Finally, the White House had no informal links to the German Chancellor's office comparable to those it traditionally nurtured with 10 Downing Street.

The information made available during the period preceeding Erhard's visit (phase C) was adequate. Erhard finally admitted his problem with the existing agreement to Ambassador McGhee in early September. Even if the German situation turned out at the last minute to be more serious than Bonn had anticipated, that fact did not alter the basic tenor of Erhard's appeal to Johnson. The outline of that appeal was communicated to Washington with increasing clarity in September.

Information-gathering during phase D was not a problem. The trilateral format both protracted discussions and offered the U.S. abundant "back channels" to Bonn. Hunches could be tested and estimates refined, often through direct conversations.

C. How Did Organizational Arrangements Affect the Alternatives Considered?

The consideration of alternatives, at various points in the process, was closely related to the set of interests involved in the process and the weights assigned to each. In the period of de-centralized management of offset (phase A), the Defense/Treasury alliance had little incentive to produce alternatives beyond a new procurement-only offset. Why serve up alternatives which threaten an existing scheme one prefers? Jurisdiction, coupled with the active intervention of McNamara, meant that Defense and Treasury could successfully restrict the menu for Presidential consideration. For instance, a proposal for a multilateral solution to the foreign exchange problem was approved, in June 1966, by the Senior Interdepartmental Group (SIG), an undersecretary-level group. But McNamara rejected that proposal and SIG approval of it, and the proposal never was set before the President.

Even during phase B, few alternatives were considered. The form of offset—balance of payments with a military sales "face"—continued to limit deliberations. McNamara and Fowler had little incentive to broaden the agenda, and State continued to find it difficult to marshal compelling rationales for doing so. Discussions in August assumed there would be a new offset agreement; the only alternatives up for discussion were: (a) withdraw troops whatever the Germans did, (b) press hard for a new offset agreement of the customary form (perhaps withdrawing troops if the Germans were not generous), and (c) agree to *consider* the new forms of offset.

The range of alternatives considered in phase C broadened, as Erhard's problem and British difficulties became clearer. Yet one plausible alternative was not considered in September, one which might have given Erhard the "victory" he wanted at little real cost to the U.S. It would have involved joining the old and new agreements. The U.S. might have proposed, in September, a financial package like that which emerged from the Trilaterals. But American officials thought they had to sustain the link between offset and force level; no new offset agreement could be put together without agreement on a force reduction. The United States, having proposed the Trilateral Negotiations, could hardly destroy their purpose before they had even started, leaving the British to fend for themselves. Moreover, such a proposal was ruled out by the state of debate within the government. McNamara had opposed even the suggestion of the Trilaterals and surely would have bridled at the thought of conceding their outcome in advance. He, and no doubt the President as well, would have regarded joining the two agreements as a device for permitting the Germans to use the American concession on the old agreement to secure advantage on the successor accord.

In general, a rich set of alternatives was examined during the Trilaterals (phase D): from no reduction to two divisions, and a variety of financial mechanisms and forms of assistance to the British. Again, the length of the negotiations and the number of arenas in which offset/force level was considered insured that a broad range of considerations would be considered and re-considered. For instance, Bator could revive the "no cut" option and present it to the President even after it seemed to have disappeared from the agenda. Expanding the roster of participants in the Rostow group might have produced more alternatives—for example, a

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Commerce official might have pressed for civil procurement—but the costs of a larger group probably would have outweighted the benefits.

However, the proposal for a "rotation" was never seriously examined outside the Defense Department. No one outside the Pentagon had the capability to do so. In fact, the proposal was from the start a ruse, the result of a McNamara treaty with his Chiefs. Yet the scheme marched through the deliberations to become official American policy. Perhaps senior officials other than McNamara acquiesced in the proposal because it served bureaucratic interests all around, but a more formal system, like the NSSM/NSDM mechanism might have made it clearer to principals outside the Defense Department that rotation was military nonsense.

One interesting limitation on the consideration of alternatives was the absence throughout cases 1 and 2 of any thought of moving away from the slightly zany formulation of offset. In context, however, abandoning the form of the issue was probably impossible, for both substantive and procedural reasons. The British wanted to meet their foreign exchange saving target, while the U.S. fretted about its payments position in early 1967. And the existing form served the purposes of the U.S. Executive in its relations with Congress: offset helped keep pressures for both harsh balance-of-payments measures and troop reductions at bay. Still, and despite the inclusion of the gold pledge in the final agreement, the Trilateral episode did little to advance public or Congressional education about matters of international finance.

D. How Did Organizational Arrangements Affect Implementation?

In phase A, implementation was handled by the Defense/Treasury team. Despite the fact that the issue was receiving attention elsewhere in the government (for instance in SIG), Defense and Treasury had the "buttons." McNamara was free, in May 1966, to threaten troops cuts if the Germans were not sufficiently forthcoming with regard to offset.[11] He could do so with little attention to the political cost of his action. There was sporadic White House intervention in offset deliberations, but implementation was still thoroughly de-centralized.

Implementation became salient again in phase C. The August decisions in Washington were conveyed to Erhard only in general terms, and subsequent American communications with Bonn con-

[11]The threat was well reported in the press. See, for example, the column by Robert Kleiman in the *New York Times*, June 6, 1966.

attention to the British problem and to agree to the Trilaterals. Americans assumed that Bonn would understand the opportunities offered it by the Trilaterals. Yet when the Germans heard "trilateral," it may have sounded, in context with Washington's focus on the British, like "gang-up."

Implementation was not a problem during the Trilaterals. Despite McCloy's personal preferences, he clearly could operate only on Presidential orders. The final agreement itself, of course, was largely self-implementing (although the rotation scheme turned out to be unworkable).

E. What Impact Did Congress and External Groups Have?

Congressional influence is hard to calibrate. Mansfield resolutions (of September 1966 and January 1967) calling for troop reductions strengthened the hand of McNamara and Fowler. They gave McNamara another argument for withdrawing troops or, if not that, at least for holding firm in negotiations with the Germans, for re-forging the link between German offset compliance and the maintenance of the existing level of American forces in Europe.

While the arguments of Mansfield and his supporters were most visible, and probably most important, other Congressional considerations affected the President. In February, he worried about the possibility that American reductions might begin unravelling NATO, handing the Republicans a juicy campaign issue for 1968.

Congressional concern about the gold flow—which accounted for part of Mansfield's support—gave McNamara a continuous, if indirect, talking point. Any concession to the Germans which "weakened the dollar" was bound to arouse the ire of the "gold bugs" in Congress. Those in Congress preoccupied with the gold drain found their counterparts outside government. The New York/Washington banker, lawyer, and ex-government official axis, Atlanticist in vision, was also fiscally conservative, joining the chorus urging the President to take harsh measures to "solve" the balance of payments problem. McNamara may have been especially susceptible to the arguments of that group, for the Secretary calculated that he needed its support for Vietnam policy.

The impact of one final external group, arms manufacturers, is unclear. In general, they and the Defense/Treasury team shared similar interests—both wanted sales, if for somewhat different reasons—so no overt pressure was necessary.

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III. EVALUATION OF U.S. GOVERNMENT PERFORMANCE

This section provides subjective evaluations—excellent, good, fair or poor—of various aspects of the performance of the United States government during the four way-stations of offset deliberations during 1966 and 1967.

A. *A Reasoned Conception of U.S. Objectives Was Present:* (A) poor; (B) and (C) good; (D) excellent.

During (A), the trade-off between balance of payments and more general political objectives never was clearly posed. In later phases, the conception of objectives broadened. The President obviously understood the balance-of-payments objective with its domestic reverberations, and he seems to have been made aware of the serious political objectives. After all, the primary American business was not saving Erhard—his government already was moribund—but minimizing damage to German-American relations which were important in other international negotiations and avoiding the chains of adverse consequences which might have been touched off by a precipitous decision to reduce the garrison. A reasonable conception of U.S. interests was developed during (D).

B. *The Best Obtainable Information Relevant to the Decision Was Made Available:* (A), (B), and (C) good; (D) excellent.

As has been mentioned, the information produced during the early phases was tolerably good. In (D), information-gathering was less of a problem because the international negotiating format gave the government both time to seek additional information and abundant channels, many of them direct, through which to do so.

C. *The Implications Flowing from the Information Were Effectively Canvassed:* (A) not relevant; (B) fair; (C) good; (D) excellent.

Assigning a grade to (B) is difficult because events were moving fast and exactly when a given fact was—or even could have been—known is difficult. Still, there were by mid-August sufficient hints that the Germans would have difficulty living up to the existing agreement, and those hints were ignored. By September (in C), German difficulties were understood and conveyed to the President. In (D), both the nature of the British problem and the state of play in Bonn were well understood. Decision, however, turned on imponderables: how *would* Congress respond to various reductions? Would a two division cut actually have provoked a disintegration of the Western alliance?

D. *A Full Range of Alternatives Was Considered:* (A) poor; (B) fair; (C) good; (D) excellent.

Anything other than a new offset of the military-procurement-only type was excluded from consideration during (A), while in (B) no consideration was given to alternatives related to the existing agreement. By (C), the range of alternatives was wider, with both the British problem and German troubles with the existing agreement on the table, but the separation of the old and the new agreements was maintained. During (D), the range of alternatives was broad; the only limitation was that the existing formulation of the issue—a slightly bizarre one, with an artificial military sub-account broken out and "offset"—was taken for granted. Congressional and public understanding of the balance of payments was not advanced.

E. *All Appropriate Participants Were Consulted:* all phases: good.

During (B) and (C), the State Department could not argue that it was not consulted, it merely played a weak hand, partly for organizational reasons and partly because of the operating modes of its leaders. However, the case raises the question of how much decision mechanisms can be made less sensitive to the operating styles of principals. Especially during the first three phases, McNamara played a strong hand while Rusk bowed out. Walt Rostow and Bator played the "State" hand because it was their job to fill gaps; they played it strongly because they just happened to believe it.

F. *The Decision Was Taken at the Lowest Level Possible:* (A) poor; (B), (C), and (D) good.

Only the President could decide. In (A), the process let an issue which should have gone to the President remain short of him.

G. *The Decision Was Clearly Communicated to Those Responsible:* (B) fair; (D) excellent.

The letter to Erhard in (B) *was* ambiguous and instructions to the American Embassy in Bonn in early September concentrated on getting the Germans to attend to the British problem and on pressing them to assent to the Trilaterals.

H. *The Actions of the Responsible Officials Were Monitored to Insure Compliance:* (A) fair; (B), (D) good.

Implementation *per se* was not the problem during (A), for no government decision had withdrawn the offset issue from the control of Defense and Treasury. Implementation was faithful to Presidential intent during later phases.

I. *The Results of the Decision Were Noted and Assessed:* (C) good.

Officials in Washington were somewhat slow to realize that the August decision was falling on deaf ears in Bonn, but they did make that realization. Rostow and Bator sought to start informal dialogues with the German government through several unofficial channels, but to no avail. The structure of debate within the Administration and the balance-of-payments context made it almost impos-

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sible for the U.S. government to move far beyond its August position in the absence of a German initiative, which was not forthcoming.

J. *The Decision Process Was as Public as Was Consistent With Its Nature:*

The process was not public, nor were the key U.S. decisions, although presumably Congress was informed of the February decisions in general terms (the President held a breakfast for Congressional leaders on offset after the February 25th decision). The question of whether or not the public interest would have been better served by more open process is difficult. On the one hand, the President-Chancellor correspondence imposed a requirement of confidentiality, but, on the other, existing arrangements served to deny Congress a meaningful role in the process, reducing it to the role of "spoiler."

K. *The Decision Was Broadly Consistent With the Public's Sense of U.S. Interests:* all phases: fair.

Any public definition of American interest would have been vague in the extreme in the offset case, but most Americans would have supported firmness with the Germans on offset, thinking that the forces were (and are) in Europe mainly to protect Europeans. They might have deemed the government insufficiently firm in dealing with Bonn, or overly timid in reducing the level of forces in Europe.

IV. PERFORMANCE OF ALTERNATIVE ORGANIZATIONAL STRUCTURES

The problem of identifying and handling issues like offset, which come to require centralized management, is one which runs through these alliance management cases. The coordinating mechanism in 1966 and 1967 was an *ad hoc* working group of sub-Cabinet officials—the [Eugene] Rostow group and its predecessor. Obviously, other structures can be conceived; two types of formal, White House-centered systems—SIG/IRG and the 1969 National Security Council system—handled offset, the first in 1966 and the second in 1969. How do the three compare with respect to various aspects of the policy process?

- *Problem Identified Early.* Early warning of issues whose current handling will lead to trouble is hard to achieve, in general, since it depends on the vision and foresight of key officials. Initial centralization with working groups may be costly: the groups need to be formed or diverted from other work, and busy sub-Cabinet officials must be prevailed upon. By contrast, an issue could be fed into the SIG/IRG or NSSM machinery easily, at low cost and without offering a serious threat to agencies then handling the matter.
- *Formulation of Objectives and Consideration of Alternatives.* Formal systems cast a wider net for participants than do informal groups and the former are likely to produce a richer set of options than the latter (for example, SIG-/IRG came up with the Payments Union and there was a "no offset" option in 1969, although it was a Treasury ploy). There is no guarantee, however, that a formal structure will produce a more reasonable set of U.S. objectives by which to evaluate alternatives than will the groups. In fact, to the extent that the larger formal structure becomes hard to infuse with the President's perspective it will do worse. And the formal structure, because it will be "leaky," is likely to tie officials to the positions of their agencies. Real debate will recede to the shadows. By contrast, the small size and confidentiality of working group deliberations will make debate sharper than the static presentation of rival position papers in the NSC or another formal mechanism.
- *Decisions Effectively Implemented.* The informal group did quite well at implementation, by extending the reach of the White House and placing penalties on "end runs." But implementation is *the* question mark in formal systems, since they tend to presume that getting good *decisions* is most of the problem. In 1966, SIG/IRG could not even achieve a Presidential decision, for reasons mentioned earlier. In 1969, no one from the NSC, who could act in the President's name, monitored offset deliberations after the decision had been made. Nor was anyone identified as the President's agent, the man who would insure that implementation was faithful to Presidential intent. Samuels, the formal American negotiator, was not that man, nor did he regard himself as so identified.
- *Process as Public as Possible.* The working groups depend on confidentiality, and that secrecy carries advantages. However, we have seen repeated evidence recently which supports the fundamental proposition that the results of closed processes may not reflect United States national interest. Formal procedures are likely to be "leakier" than the groups and while the costs of that openness will be immediate and obvious, it may provide longer-term benefit.

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V. PROBLEMS DISPLAYED IN OFFSET

The offset cases illustrate several concerns and problems to which organizational arrangements must be addressed. Many of them are evident in other alliance management cases. Several will be noted briefly here, mentioned when they appear in other cases, and returned to in the concluding chapter. Four of the concerns are obvious: coordination, early-warning, political reporting and foreign assessment, and implementation. Several more general problems also ought to be underscored:

- *The role of Congress.* Congress was denied meaningful participation in offset, reduced to the role of spoiler, possessing only blunt instruments with which to affect United States policy. How can Congress play a more meaningful role? More generally, this paper adopts, implicitly, a Presidential scoring system, asking if particular structures enable the President to make reasonable decisions and see them implemented. There may, in practice, be no serious alternative. But is that perspective proper?
- *The present departmental structure.* This analysis has assumed that the present distribution of responsibilities ("buttons") and interests is more or less acceptable, and thus that the main task is spotting issues which ought to be hauled from that structure and managed centrally. Yet is the present structure acceptable? Might foreign and domestic tasks (and their overlap) be apportioned in a quite different way?
- *Agenda formation.* This discussion also has taken the agenda more or less for granted, focusing on the management of an issue once it obviously was an issue. But attention ought also to be paid to longer-run considerations and how the government could be structured to attend to them. Why, for example, should German-American relations be dominated every other year by an issue as strange as offset?

Overviews Of Additional Cases

Each case stands in its own right as a description of a particular episode in the making and implementing of American foreign policy. A summary document cannot hope to do each justice. Nor is it necessary to do so for the purposes of Part IV as a whole. Rather, presentation of the cases here will be selective, highlighting aspects of each case which seem most crucial and which have most in common with the other cases. This chapter tries to convey the general flavor of each study. We hope it will be clear that while each of the cases contains some special features, none is essentially idiosyncratic. As a whole, we judge them roughly representative of U.S. policy-making on matters involving allies. We hope it will also be evident that the features of each case underscored in the next sections are not jerked out of context, and that the process of highlighting them does minimal injustice to the full accounts of the cases.

I. THE SKYBOLT AFFAIR, 1962

The roots of the Skybolt affair reach back to the late 1950's. Britain began searching for ways to preserve its independent nuclear deterrent, in symbol at least, into the new decade, at the same time attempting to avoid the expense of missiles or submarines. In March 1960, Prime Minister Macmillan met President Eisenhower at Camp David and received assurances that the United States would develop an air-to-surface missile, Skybolt, which the British could then buy to prolong the life of their nuclear bomber fleet. In return, the U.S. would receive the use of Holy Loch in Scotland as a base for its nuclear submarines. The link between Skybolt and Holy Loch was never made fully explicit, but both men knew they had made a deal.

Few Americans were enthusiastic about Skybolt on its merits (Eisenhower's Secretary of Defense actually removed funds for it from the last Eisenhower budget, in January 1961), but McNamara kept the program alive, partly to test its technical feasibility and partly as a hedge in case the other strategic systems, particularly Minuteman and Polaris, ran into trouble. By the fall of 1961, those systems were working. Indeed, development of the Minuteman missile was ahead of schedule. McNamara allowed Skybolt to continue, but he made a treaty with his Air Force Secretary that its development costs would not exceed a fixed dollar amount.

By the next July, McNamara had been through the fight to kill the Air Force's prized new bomber, the B-70; in the process, he had learned the value of excising the line item for a project he wanted eliminated from the budget *before* the budget went to Congress. In late August he made a tentative decision to terminate Skybolt, whose costs were exceeding expectations and whose performance was disappointing. By mid-October, he had made up his mind, but the decision could not be made final until budget meetings with the President in late November, lest the Joint Chiefs of Staff feel they had not been heard. But the problem was even worse: if the President killed Skybolt in November, the services would surely leak that word to the British before the January budget message. Somehow the British had to be warned.

McNamara took that dilemma to the President and was given responsibility for warning the British. That he did, both in person to the British Ambassador and by telephone with his counterpart, Peter Thorneycroft. Both understood; Thorneycroft, at least, took the word calmly; if McNamara meant to kill Skybolt, then he would make another offer. And Macmillan did not think Kennedy would let Skybolt die without calling him. But McNamara took Thorneycroft's calm to mean that the British —those "clever chaps"—were working on what to ask for instead.

McNamara had intended to go to London after Thanksgiving. At the holiday budget conference everything went true to form, and Skybolt was cancelled, subject to consultation with the British. But in the press of other work, McNamara kept postponing his trip. By the time he arrived in London, December 11, word of the cancellation had leaked. London was in an uproar, the British press indig-

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nant. McNamara, puzzled, offered Thorneycroft another missile, Hound Dog. Thorneycroft refused: how could Britain bank its deterrent on something called "Hound Dog?" McNamara then exceeded his instructions by implying that Polaris committed to NATO might be feasible. Thorneycroft would have none of it. What of the spirit of Camp David, of American support for British nuclear independence?

An Anglo-American summit had been scheduled for Nassau, December 18th. In the days before that meeting, Kennedy turned his attention to the now-impending crisis. Influential eastern papers were criticizing him for rupturing bipartisanship by reneging on an Eisenhower promise. Yet he was sensitive to State Department arguments against Polaris: Macmillan was to meet with DeGaulle before meeting Kennedy in Nassau, and Britain-into-Europe had first priority, for Macmillan no less than for the United States. Before leaving for Nassau, the President consulted Rusk and McNamara; all agreed that the British would have to be offered Polaris on the condition that the new deterrent force would be committed to NATO, even though Thorneycroft had rejected that offer out of hand. In a press conference the week before Nassau, Kennedy argued the brief against Skybolt.

En route to Nassau, Kennedy huddled with the British ambassador, Sir David Ormsby-Gore, and realized the full extent of the British political problem. The two concocted a "50–50" scheme for the Americans and the British to share Skybolt development costs, and Kennedy put that offer to Macmillan in Nassau. The Prime Minister, however, would have nothing to do with Skybolt after Kennedy's press conference: the lady had been violated in public. Kennedy then offered Polaris-committed-to-NATO, but Macmillan responded by emphasizing the imperative of symbolic independence.

In the end, the British agreed to accept Polaris tied to NATO, but with an escape clause permitting the submarines to be withdrawn in time of extreme peril to Great Britain. Macmillan retained independence, but at a high monetary price, and he lost Europe: DeGaulle vetoed British entry into the EEC, using Nassau as the excuse. For his part, Kennedy had given more than he wanted to the British, and his "grand design" for a united Europe had been checked by the French.

II. THE DEMISE OF THE MULTILATERAL FORCE (MLF), 1964

The Nassau agreement resolving the Skybolt crisis contained a little-noticed reference to yet another joint military venture—the multilateral force (MLF). The force, a major Kennedy-Johnson Administration initiative toward Europe in the early 1960's, was to be a NATO flotilla of surface ships, manned by sailors of different nationalities, armed with Polaris missiles whose warheads would be under U.S. control. Subsequent analysis of this case will concentrate on quite specific aspects of the MLF case, but it is worth recounting the whole story briefly.

By April 1964, when President Johnson first gave formal attention to the MLF, it had a life of its own. At State Department initiative, the United States had appeared to be pushing the proposal, in various forms, for four years, as a means of stimulating allied defense cooperation and providing an outlet for recent German concerns about nuclear discrimination. Johnson's review in April was routine, but its consequences were not. Whether he said of MLF "We'll *go* on that one after the election" or "We'll *get on* that one right after the election"—as subordinates later debated—enough was said and done to tie the U.S. more firmly than ever to the proposal.

As late as October 20, 1964, the MLF was still sailing serenely on, represented by a special task force at the State Department, headed by Gerard C. Smith, an early MLF partisan. In October Secretary Rusk, no MLF zealot, praised the idea on the occasion of the arrival in Washington of a mixed-manned "pilot ship." In the meantime, MLF "theologians" in the State Department gave the force a hard sell in Europe, ruffling some feathers of opponents, and using every opportunity to commit Washington more firmly and more publicly to the force.

In theory, MLF was the solution to a whole series of problems (not all of which, it turned out, existed). It was simultaneously a means of getting around Germany's second-class status in the alliance—thereby helping to prevent a revival of militarism in the Federal Republic—and forestalling any European drive for an independent nuclear force. And there was even a "British" argument for the force: it might eventually envelop the British (and even the French) independent forces. In practice, of course, there were doubts about the feasibility and military utility of the force, but, never mind, it was the only alternative around.

British participation was essential. A German-American club would have done NATO no good—since the French first scorned then actively opposed the force—and would have been seen as more threatening to the Soviets even than the initial conception. The Tory government in Britain seemed to be acquiescing, slowly, unenthusiastically to the U.S. initiative, while the Labour party, looking like the winner in the October 1964 elections, found it convenient to take no public position in advance.

This encouraged the MLF "theologians" to think the British might be brought along. McGeorge Bundy, the President's Special Assistant for National Security Affairs, was worried enough about British reaction to ask Richard Neustadt, Columbia professor and sometime consultant to the Kennedy and Johnson Administrations, to go to London and study the matter. Neustadt went twice, once before and once after the British election. He found the Labour front bench much less fond of MLF than the "theologians" had hoped.

Prime Minister Wilson, elected with a razor thin majority, soon proposed an alternative cheaper and more palatable than MLF, the ANF (Allied Nuclear Force), a grab-bag into which any national nuclear force could be put. Meanwhile, Chancellor Erhard's party split badly on MLF and his coalition government began to come unhinged as the French offensive against the force intensified.

The President finally turned seriously to MLF in the five days before Wilson came to Washington, December 8, 1964. In a sequence of meetings, Johnson asked his senior advisors for answers to a series of probing questions. What would the Germans do if no new nuclear arrangement were established? On this score he got a variety of answers. Apparently, McNamara, George Ball, Dean Acheson, and David Bruce, U.S. Ambassador in London, all thought the Germans would insist on an independent nuclear force within a decade. Bundy was skeptical. Johnson was inclined to accept the "theologian" view; he would want nuclear weapons if he were a German.

How did the Europeans feel? On this, there seemed to be unanimity: the Germans were eager, the British susceptible to reason, the Italians willing to follow. That seemed to reduce the issue to whether or not MLF could be sold to Congress, and the President seems to have decided, contrary to his advisors, that it would go down hard. Liberals were edgy about a German finger on the nuclear trigger, while conservatives were reluctant to relinquish the U.S. monopoly. So it went until it occurred to the President to ask how his predecessor had felt. On that issue, Bundy, in his role as protector of the President, was ready, armed with Neustadt's reports and Bundy's own memorandum to Kennedy in mid-1963. Bundy, no "theologian," was not a firm MLF opponent either, but he feared the President was being painted too rosy a picture of the European reaction to MLF. Bundy's earlier memorandum had told Kennedy that no one in Europe was ready to move on MLF, and the President's response reportedly was: "If they don't want it, then the hell with it."

By Sunday (before Wilson came on Tuesday) the President had in hand a cable from the U.S. Ambassador to Bonn, George McGhee, saying that there were new signs of reluctance in Germany to pushing ahead with MLF. And Bundy, after observing the formalities of notifying Rusk, argued the brief against MLF: there were new military problems and new doubts about pressing the shaky Wilson government on MLF. Other advisors argued that the President was committed, but the President could not see how *he* was committed. Rusk suggested tossing the issue back to the Europeans, saying the U.S. was ready to cooperate in any scheme which met minimum German demands, including some mixed-manned elements if Bonn were adamant. A working paper prepared by Vice-President Humphrey, Rusk, McNamara, Ball, Bruce and Bundy suggested that the U.S. commit itself to some form of ANF plus MLF, depending on what Wilson worked out with Erhard.

With Wilson waiting in the Cabinet room Tuesday morning, however, Johnson rejected even that commitment. Instead, he opened discussion with Wilson with a barrage of criticism of British economic policies and the trouble they were causing the U.S., then let Wilson present ANF. The President told the Prime Minister that the U.S. would offer comments and would give careful consideration to anything the Europeans worked out. MLF's plug had been pulled. The withdrawal of unqualified U.S. support for MLF was disquieting to Europeans (as had been the support), and from time to time the "theologians" attempted to renew interest in the plan, but MLF was no longer the centerpiece of U.S. nuclear policy for NATO.

III. THE STATUS OF OKINAWA, 1961–69

The Okinawa (Ryukyu) islands, taken by the United States in bitter hand to hand fighting in World War II, came under American military occupation and administration in 1946. So they were to remain for twenty-five years.

At the time of the peace settlement, in 1951, the Japanese made a plea to the American negotiator, John Foster Dulles, that the islands not be separated permanently from Japan. But the emerging cold war had convinced American leaders of the need for bases in the Far East. There was general consensus in Washington that Okinawa should remain under American control indefinitely, and indeed strong pressure for outright annexation. Dulles managed a compromise, acknowledging "residual" Japanese sovereignty over the islands although their international legal status remained in limbo. Over the next decade, U.S. bases on Okinawa mushroomed, with no particular attention to isolating them from civilian activities on the is-

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land. Military officers administering the island and military planners in Washington came to regard the base as a keystone of American containment policy in the Far East.

By the end of the 1950's, the embryo of a popular reversion movement had developed both in Japan and on Okinawa. Japanese leaders raised the issue with American officials, but the latter responded with a ritual answer: the United States would retain control for the indefinite future.

During 1961, a series of American officials—including the United States Ambassador to Japan, Edwin Reischauer, and the Undersecretary of State, George Ball—expressed the view that American military occupation of Okinawa was an anomaly that would soon cause trouble. The Japanese Prime Minister raised the issue in a meeting with President Kennedy the same year. In response, the President's Special Assistant for National Security Affairs, McGeorge Bundy, appointed a special interagency task force to study the matter. Chaired by Carl Kaysen, the group was composed of officials from the Departments of State, Defense, and Labor, as well as from the International Cooperation Administration (A.I.D.'s predecessor).

The objectives of the Kaysen study were limited to recommending ways of increasing economic assistance to Okinawa in order to relieve anti-base pressures. In particular, they were anxious to develop arguments against Congressional limitations on U.S. aid to Okinawa, which had been set by the Price Act of 1960 and to encourage acceptance of Japanese economic aid to Okinawa. The task force was not inclined to question military claims about the importance of bases on the island or to look in detail at the military operations there. On the basis of the Kaysen report, President Kennedy announced in 1962 that he intended to request Congress to increase aid to Okinawa and that he would appoint a civilian administrator to assist the military High Commissioner. He further proposed that Japanese cooperation in economic assistance to Okinawa should be facilitated. Apparently, any overt measures to modify military control over the administration of Okinawa were specifically ruled out at the Presidential level, for fear of alarming the Joint Chiefs of Staff and their Congressional allies and thus periling the aid request and risking retribution on other matters of concern.

Ambassador Reischauer continued to press Washington to consider reversion of the islands to Japanese control, arguing that sentiment about Okinawa in Japan might threaten the bilateral security treaty and the U.S. bases in Japan. Prime Minister Sato had picked up the Okinawa issue in 1964, pledging to pursue it with the American President when they were to meet in 1965. Although nothing came of this summit, a State-Defense working group appears to have been formed in late 1965. With the establishment of a new interdepartmental system in 1966, the task of the State-Defense group was transferred to the Far Eastern Interdepartment Regional Group. A working group was formed to study how the problem might be de-fused short of reversion. The group's first report identified the problem of local pressure and suggested that the United States had about five years in which to make gradual concessions to local desires for autonomy, after which reversion would be necessary in order to avoid serious pressure from the political opposition in Japan for abrogation of the security treaty.

At the same time the softening U.S. position was reflected in the appointment of key officials who eventually influenced Asian policies. U. Alexis Johnson, a diplomat respected by the military, became Ambassador to Japan, and immediately identified reversion as the major task of his term as Ambassador. Major General Ferdinand Unger was made High Commissioner of Okinawa, and, unlike his precedessors, dedicated his efforts to the achievement of momentum and transition toward early reversion. In particular, he was concerned with reducing military requirements on Okinawa in the interests of increased self-government and preparation for integration with Japan.

A second study by the Far Eastern IRG working group distributed a month or two before the next bilateral summit meeting demonstrated that little conventional military flexibility would be lost if Okinawa returned to Japan under the terms of the U.S.-Japan security treaty. It also introduced the possibility of gaining from the Japanese government a somewhat relaxed interpretation of certain provisions in the security treaty that were perceived to limit the utility of the U.S. bases in Japan. In the weeks before the Johnson-Sato summit in November 1967, Richard Sneider, the central figure in the working group, and Morton Halperin, the representative from Defense's Office of International Security Affairs (ISA), circulated among senior officials an options paper based on the findings of the study. By that time a broad consensus favoring reversion had developed, and the Joint Chiefs were willing to consider gradual reversion. Secretary of State Rusk, however, was required by IRG procedures to place the recommendation before the President. He declined to do so.

At the last minute, the Japanese sent a draft communique for the summit conference that included a specific reference to a U.S. commitment to reversion. That language, however, was dropped after an objection by Senator Richard Russell, chairman of the Armed Services Committee. Instead, the U.S. returned to its position in favor of reversion of the Bonin Islands. On Okinawa, the communique

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spoke of "unification," indicating some commitment to reversion, but leaving the timing indefinite.

When the Nixon Administration took office in 1969, the status of Okinawa, like the offset payment issue, was among the first issues fed into the revamped National Security Council system. The decision to issue a National Security Study Memorandum—NSSM 5, dated January 21, 1969—on U.S.-Japanese relations reflected the President's early sensitivity to Japan and his desire to forestall an upsurge of Japanese opposition to the security treaty. The issuance of the NSSM owed also to the efforts of Sneider and Halperin, both of whom had moved to the NSC with the change of Administrations. Both were by then committed to reversion and framed the NSSM to set the Okinawa problem in the larger context of overall American relations with Japan.

Members of the interagency group drafting a response to the NSSM, most of whom had worked on the issue before, saw the basis for compromise: the United States could agree not to store nuclear weapons on Okinawa after reversion, but Japan might then give a broader interpretation to the "prior consultation" required in the event the United States wanted to use any base in Japan for combat operations. Group members also agreed that a U.S. "no" to reversion probably would drive the Sato wing of Japan's Liberal Democratic Party from office, doing serious damage to Japanese-American relations.

The President opted for reversion. The United States would accept the same restrictions on its Okinawan bases as those applied to other bases in Japan, provided those restrictions were eased to permit the United States greater use of the bases for operations in Korea, Taiwan or Vietnam until the war ended. The decision on nuclear storage was left to the summit.

The State Department was delegated responsibility for negotiating an accord to be signed at the summit, and Sneider moved back to the Department in June 1969 to head that effort. Sneider believed the Japanese would have great difficulty accepting an agreement for continued storage of nuclear weapons on Okinawa, so he concentrated instead on securing a relaxation of prior consultation and an explicit Japanese commitment to the security of Korea, Taiwan, and Vietnam. The latter task was the most problematic, but modified commitments from Japan were eventually negotiated. In the meantime, Prime Minister Sato asked for, and received through the back-channel, assurances from Kissinger that the President would not insist on nuclear storage.

The documents accompanying the communique implied Japanese willingness to reply favorably to American requests for use of the bases for emergency combat operations in Korea or Taiwan; Vietnam was an issue to be discussed if the war continued after reversion, in 1972. Consistent with the general U.S. policy neither to confirm nor to deny the existence of U.S. nuclear weapons abroad, the nuclear storage issue was camouflaged by language indicating that the United States would respect the wishes of the Japanese people with regard to nuclear weapons.

IV. THE NIXON "SHOCKS" TO JAPAN, 1971

The ink on the Okinawa agreement, signed July 9, 1971, was barely dry when the United States took the first of three actions which threw into question the dominant postwar foreign policy assumption of a series of conservative Japanese governments: that a close alliance with the United States would ensure that American actions would accommodate basic Japanese interests. The three "shocks" suggested just the opposite: either the United States cared little about Japan or it intended to prod Japan to adopt more independent policies.

The three shocks came in rapid succession. On July 15th, the Presidential visit to Peking, and the prior arrangements made by Kissinger, were announced. Despite an Administration commitment to consultation and despite the damage the surprise announcement would do to Prime Minister Sato's political position in Japan, Sato received only a few minutes of private warning. One month later, the President announced the floating of the dollar and the ten percent import surcharge. Again, the announcement, which abruptly ended the postwar international monetary order, came as a surprise to Tokyo, and devaluation of the dollar against the yen was a major target of the action. Finally, in the latter part of September, an American official delivered an "ultimatum" to Japan's Minister of International Trade and Industry: either Japan would settle the three-year old textile dispute on U.S. terms by accepting strict limitations on exports, or the United States would impose quotas under a seldom-used provision of the "Trading with the Enemy Act," a provision last amended December 18, 1941.

The three actions were interrelated, as were the deliberations which preceded the decisions. Textiles, especially, colored the handling of the other two issues. In the 1968 campaign, Richard Nixon promised to negotiate restrictions on imports of wool and man-made fiber textiles. After election, the President pressed for more stringent restrictions than anyone outside the textile industry thought necessary or desirable. Along with other

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countries of the Far East, Japan was the obvious target of the drive, but the Japanese government resisted, despite the apparent willingness of Prime Minister Sato to accede to the U.S. demands.

In the early phases of the dispute, American deliberations were conducted outside the National Security Council system. By the summer of 1969, however, it was clear that an agreement would not be easy to secure. High-pressure tactics by the Commerce Department had built the textiles into a major nationalist issue in Japan. Since no Japanese group favored quotas on their merits, American officials looked to strike a bargain. Okinawa reversion was too enticing a *quid* to be overlooked, and the issue could be insulated from the textile dispute no longer. Apparently, in negotiating the reversion of Okinawa, Kissinger made it clear that the President expected a textile quota agreement in turn. Prime Minister Sato, under pressure and needing the Okinawa agreement badly, seems to have acceded, but then been unable to deliver his government. Periodic Kissinger efforts to salvage the summit agreement were unavailing; eleven months later Sato agreed again, and again he failed to deliver.

The principal American officials found it difficult to understand why Sato had difficulty fulfilling his promise, and they came to resent that the United States was helping Sato with his political problems (Okinawa) while the Prime Minister was not reciprocating. The bargain had been struck at the highest level—Nixon and Kissinger. Both men felt aggrieved by the Japanese failure and were heard to speak bitterly about it. But they were *the* strong foreign policy voices of the Administration, and could have been expected to be the most sensitive to the effects on allies of actions taken in pursuit of other objectives. In the Japanese case, however, they became more than willing to rationalize any damage they might do to Japan by policies taken for other reasons. "Japanese" considerations got short shrift.

The initiative toward China dealt a crushing blow to Japan and to Sato, whose foreign policy and domestic stance depended on his Washington relations. The China initiative, with the other shocks, probably altered the Prime Ministerial succession, facilitating the rise of Kakuei Tanaka in place of the heir apparent, Takeo Fukuda. The China shock was all the worse because just the previous October the two governments had agreed to consult on and coordinate their China policies. The State Department and Foreign Office had begun consultations, which the Japanese considered an important breakthrough. Again, decision-making was restricted to the top of the government. No one in the State Department who might have inserted considerations based on the U.S.-Japan alliance knew what was going on, so none could make the case. And Kissinger was the only "foreign policy" official of Presidential authority. No one but he could speak effectively for foreign policy concerns outside of his —and the President's—current range of primary interest.

Japan was the conscious target of the U.S. economic policy announced August 15th, and the "shock" probably had the most significant substantive effect on bilateral relations. Not that the United States lacked grievances: Japan's import and capital liberalization had not proceeded nearly as fast as the strength of the economy warranted, and the sharply undervalued yen gave Japan a striking competitive advantage in international markets, thus contributing to a growing trade surplus. Nevertheless, no one asked what the effect of the policy would be on long-term U.S.-Japan relations. The major actor, besides the President, in the decision was Treasury Secretary John Connally, who had a distinctly competitive view of international economic relations. Similarly, the President's new Assistant for International Economic Policy, Peter Peterson, who was specifically concerned with Japan, tended to view that nation as an adversary and a threat (and, moreover, he was then responsible in the White House for the textile dispute). Kissinger was not involved in the August 15th decision, although he did intervene in the fall to bring about a compromise in the U.S. position. Astonishingly, no one from the National Security Council staff or the State Department was involved either. No one in a position of influence could or did inject consideration of the major effects the "economic" action would have on alliance politics, involving both Europe and Japan.

V. THE OFFICE OF UNDERSECRETARY OF STATE FOR SECURITY ASSISTANCE

A major part of United States "foreign policy" with respect to many allied governments is the provision of security assistance. Yet it is not normally thought of as foreign policy at all and is handled, day-to-day, by military officials divorced from the perspective of Congress or even of senior civilian officials in the Executive Branch. The policy-making problem is strikingly displayed in the case of Taiwan: in 1969, at the same time the Senate was blocking the granting of a squadron of F-4 jet fighters to Taiwan, the Defense Department, without the knowledge of Congress, was engaged in negotiations which led to the transfer of 35 F-100 and 20 F-104 fighters from U.S. stocks which had been declared "excess."

Aid which might be called "security assistance" is

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provided in at least fifteen different forms, from several, dispersed legislative authorizations. The need to coordinate assistance and to integrate it with general foreign policy concerns led to persistent calls in the 1950's and 1960's for a Coordinator of Security Assistance in the State Department. Such a position had, in fact, existed in the Eisenhower Administration, when Undersecretary of State Douglas Dillon held the job of Mutual Security Coordinator, with responsibility for both security *and* development assistance.

Many different Executive departments and several Congressional committees had interests in the issue, a number of them conflicting. The Defense Department and the Agency for International Development (AID) felt threatened by proposals for a coordinator and countered with internal reorganizations of their own—AID created the Supporting Assistance Bureau and Defense established the Defense Security Assistance Agency. Feelings were ambivalent within the State Department, but most officials favored the creation of a new post. In the White House, both the Office of Management and Budget (OMB) and, to a lesser extent, the National Security Council staff pushed for a coordinator at the undersecretary level.

Congress was only indirectly involved in the bureaucratic maneuverings in the Executive Branch. The Senate Foreign Relations Committee long had sought to control the provision of security assistance; many of its previous efforts—the imposition of regional or country ceilings, for example—had proved ineffective. Some on the committee, however, objected to the notion of coordinator, feeling that the post would only enhance the prestige of security assistance. The House Foreign Affairs Committee shared the desire to supervise security assistance, but the Foreign Assistance Act was one of few major pieces of legislation for which it had responsibility, and it was unwilling to assent to any separation of security and economic assistance which would reduce its business.

When the Nixon Administration took office, it commissioned a Presidential Task Force on International Development, headed by Rudolph Peterson. The Peterson task force recommended, in March 1971, that more senior attention be given to security assistance. Its conclusion was echoed and transformed into specific proposals in a series of National Security Council studies. But there was considerable pulling and hauling over the level of the coordinator position and the definition of its duties. For example, careerists at the State Department wanted the job at the deputy undersecretary level, hence accessible to careerists, but OMB finally prevailed on the Deputy Secretary to overturn that recommendation in order to provide the coordinator sufficient bureaucratic clout.

The Senate initially rejected the proposal but relented in conference with the House. The position was created by a provision of the Foreign Assistance Act of 1971, signed into law February 7, 1972. Curtis W. Tarr, who previously had been Director of the Selective Service System, became Undersecretary for Security Assistance in May.

What difference did the presence of the new coordinator make? The answer, by all evidence, is: very little. Tarr had only a small staff of his own, and depended on operating units in State, A.I.D. and Defense. They had action; Tarr had only a paper program. The Security Assistance Program Review Committee which Tarr headed possessed only review powers, not responsibility for making decisions. The new undersecretaryship, a position grafted onto the existing Department organization, was in a weak position to carry the Secretary against the objections of the regional assistant secretaries, if the latter made strong political arguments for programs in their regions. Tarr became a kind of budgetary watchdog, with little real authority even for that mission. "Integration" of security assistance was, after all, a catchword which meant different things to different people. Still worse, there were indications that top White House officials did not want the new position to be a strong one.

When Kissinger moved to the State Department, Tarr left, taking his experience with him, and was replaced by William H. Donaldson. New to security assistance and burdened by several responsibilities that had little to do with his title, Donaldson was a coordinator of security assistance in name only. He left in only six months; according to the *New York Times*, his associates said he resigned "in despair over the way Secretary Kissinger was running the State Department and dealing with the Pentagon." Donaldson apparently was delegated little real authority over military aid.

The third Undersecretary, Carlyle E. Maw, is Kissinger's personal lawyer (who retains his position as legal advisor to the Department) and, like his predecessor, has no experience in military affairs. Tarr's staff has dispersed, and the office has atrophied.

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CHAPTER 4

The Skybolt Affair, 1962*

Based on a case by Richard E. Neustadt and Jay Urwitz

This chapter, and the four which follow, present the case studies in miniature. Each case is presented in several sections. First, the descriptive account of the case is expanded selectively, stressing those aspects of the process of decision and implementation which were crucial or which can be compared with other cases. Second, impacts of organizations and structure on various aspects of the policy process for each case are analyzed for each case. In several instances, the overall U.S. performance of various policy-making functions is evaluated. When appropriate, speculations are offered about the likely performance of an alternative organizational arrangement in similar circumstances. A final section of each chapter takes note of the organizational problems which are evident in other cases as well. The concluding chapter addresses those matters and frames tentative recommendations.

The chief concerns displayed by the Skybolt case are foreign reporting and foreign assessment: why did the U.S. so misperceive and misunderstand the British? The answer points to Washington officials' unwillingness to ask incisive questions of the embassy, weaknesses in political reporting, and limited capabilities for analyzing foreign governments, even governments as close and friendly as the U.K.

I. OVERVIEW

The Skybolt failure so perplexed President Kennedy that he later commissioned Richard Neustadt to do a study of the case on both sides of the Atlantic. Neustadt's assignment will long stand as the envy of students of alliance politics: free access to senior American officials and their files, and a Presidential request that he be accorded access in London.

McNamara kept Skybolt alive in early 1961 as a hedge. Contrary to recommendations by the Budget Bureau and by White House scientists, he included it in his first budget—perhaps a reflection of his method, one-thing-at-a-time (he was then pondering cancellation of the Air Force's B-70 bomber), or perhaps in trade with the Air Force. London apparently followed these internal machinations, but since the outcome was as desired, Her Majesty's Government was reassured. Besides, both the U.S. Air Force and the American manufacturer, Douglas Aircraft, assured London that everything was proceeding as anticipated.

The British did receive several conflicting signals: an offhand remark by the President about Skybolt's deficiencies; McNamara's June 1962 speech at Ann Arbor about the foolishness of independent nuclear forces, and rumblings over the summer about American studies showing that Skybolt's costs would exceed McNamara's ceiling.

In September 1962, the British Secretary of Defense, Peter Thorneycroft, made his first visit to Washington. Recently readmitted to the Cabinet and, by all accounts, delighted to be back again, he made a good impression in Washington and was, in turn, impressed by what he saw. He heard talk of Skybolt's cost and the troubles with its guidance system (which was crucial to the American mission of defense suppression). But as an old Minister of Aviation, the cost problem sounded familiar to him, and guidance was not a problem for the British. So long as the Russians knew Skybolt could come close to their cities, that was sufficient.

By mid-October 1962, McNamara had decided that Skybolt should be canceled. Recommendations he had side-stepped the year before were now reinforced by studies made by his own Systems Analysis staff showing that Skybolt would not be cost-effective. Unofficial sources brought hints of that decision to both the British embassy and to the Defense Ministry. At that point, however, the Cuban missile crisis intervened, and budget season stopped dead for two weeks.

After Cuba, McNamara took the issue to the White House. At a November 7 meeting with the President, Secretary of State Rusk, and Assistant

*This summary and analysis draws on Neustadt's published version of the case in *Alliance Politics* and on additional commentary by him. His classified report to President Kennedy, which was available to case analysts, provides additional detail but does not alter the basic conclusions to be drawn from the public version of the case.

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for National Security Affairs McGeorge Bundy, he won approval of his decision to cancel Skybolt. The fact that this would cause the British pain was noted, and all agreed that they should be warned without delay. McNamara reportedly said, "I'll take care of it," and the others went on to other business. What they all expected was that once alerted, the British would find some way around their problem and would tell the U.S. what they wanted in return.

On November 9, McNamara phoned Thorneycroft and delivered the warning: Skybolt would most likely be canceled due to its cost-ineffectiveness. (He could not say "definitely" because he had just sent his study and tentative recommendation to the JCS who would have two weeks to comment before the President in conference with his chief White House and Budget Bureau aides made the final, formal decision.) In their telephone conversation, Thorneycroft mentioned the word "Polaris" and calmly assumed that if the Americans meant to kill Skybolt, they would offer the British something else when the time came; that was the spirit of the Camp David agreement. But McNamara was then ignorant of the extent of the Camp David agreement. He interpreted Thorneycroft's calm to mean that the British regarded cancellation as *their* problem, were working on it, and would in due course ask for something else. He promised to come to London within the month.

Macmillan had been disappointed by the results of six by-elections and had his hands full of a dreary Cabinet debate on agricultural concessions required for entry to the Common Market. He had no need of trouble with Washington. Besides, Skybolt had survived one Secretary of Defense before; if this were really the end for Skybolt, surely Kennedy would call. On those grounds, Macmillan had his ambassador in Washington seek and receive a procedural assurance from Kennedy: no publicity before consultation and no cancellation until after. The Ambassador, David Ormsby-Gore, advised the Prime Minister that there was no need to call the President before McNamara came to London.

Evidently expecting the British to ask for Polaris, McNamara put several aides to work on the U.S. response. When his staffers consulted colleagues at the State Department, however, they found frantic opposition to Polaris for the British. The submarines would extend British "independence" well in the 1970's. What would that evidence of the "special relationship", that Anglo-Saxon deal, do to the British as would-be Europeans? State Department officials drafted, and Rusk signed, instructions for McNamara which ruled out an offer of Polaris. The Defense Secretary did not choose to make a fuss; time enough for that if the British asked for Polaris.

In the event, McNamara's trip to London was delayed so long that press leaks preceded his consultations. Then when he came empty-handed, offering neither Polaris nor anything else of a generous sort to compensate for Skybolt (and to balance Holy Loch), Thorneycroft erupted, returned to square one and demanded the continuation of the status quo (Macmillan's preference all along), and let the press take it from there. A publicized row ensued.

At that point, the President turned to the British problem. Only then were the nuances of the Camp David agreement understood in Washington. Indeed, the *Washington Post* had attacked the President for undermining bipartisanship and jilting our staunchest friends by reneging on an Eisenhower bargain. Still Kennedy was puzzled. If London's situation was so serious, why had there been no phone call from Macmillan? The sharing of Skybolt development costs which Kennedy and Ormsby-Gore hatched en route to Naussau, if conceived and proposed to the British in November—or even in December before Skybolt cancellation leaked—might have done the trick all around: keeping the bargain with the British without giving away Polaris, and saving the United States half the development costs (or over a billion dollars). Alternatively, and more probably, the British, while refusing to continue with a weapon the U.S. no longer wanted, would have had to thank the Americans for generosity and seek joint study of next steps. This would have precluded a public crisis. After all, to Anglo-Saxons, fifty-fifty is fair. One cannot make a crisis over an offer one rejects. But by the time of Nassau the offer was too little and too late; Skybolt had been publicly discredited by Kennedy and was of no political use to Macmillan.

II. ANALYSIS: IMPACT OF ORGANIZATIONAL ARRANGEMENTS ON U.S. DECISIONS AND ACTIONS

Two phases may be distinguished: (A) events leading to the cancellation decision, and (B) the period between cancellation—approximately October of 1962—and the Nassau meeting.

A. How did Organizational Arrangements Affect the Alternatives Considered?

At (A), the cancellation decision was determined by military and budgetary considerations, urged by a combination of the Budget Bureau, White House scientists, and the Defense Secretary's Offices of

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Systems Analysis and Defense Development, Research and Engineering. Skybolt was unreliable and costly to boot. In the short-run, Hound Dog would perform its mission; in the long term, Minuteman would make the mission unnecessary.

In phase B, the actions of the State Department were dominated by its concern for British entry into the Common Market. Officials there would have preferred giving the British nothing to conceding them even Skybolt. Giving the British Polaris would not only extend the life of British nuclear "independence," which they were eager to terminate (of which, more later in the MLF discussion) but could also block British entry to the Common Market. The specter of de Gaulle lurked in the background. Besides, while the State Department officials confined themselves to negative advice and alternatives ("no Polaris"), they stood on the strong ground of foreign policy considerations—their official business—business which neither cost money nor threatened savings implied in Skybolt cancellation. Had they ventured alternatives based on "iffy" assessments of the British dilemma, they would have become interlopers in the budget process, amateurs in defense planning, and the ground beneath them would have gone soft.

The lack of consideration given to plausible alternatives bore serious consequences at Nassau. The fifty-fifty deal, which the President invented in an hour, and which almost certainly would have avoided a flap, never surfaced in the earlier deliberations. During the last minute planning prior to Nassau, no consideration was given to granting Britain an escape clause from the NATO commitment and so, at Nassau, the U.S. merely improvised, unprepared to name a price for the escape clause. U.S. officials, however, took heart in thinking that the British formula for Polaris might be extended to the French, and a cable was sent to de Gaulle inviting France to join this new NATO force on "similar" terms. But the failure to prepare this alternative meant that de Gaulle received contradictory diplomatic signals from which he seems to have inferred that the U.S. was offering the missile alone, useless without submarines and warheads. So he used his press conference to veto British membership in the EEC, to reject the Nassau offer as well, and to reaffirm France's commitment to true nuclear independence.

B. How Did Organizational Arrangements Affect Information-Gathering and Assessment?

In phase A, although McNamara realized the cancellation would cause London problems, he had no assessment from State or from Defense's Office of International Security Affairs (ISA) on the nature and extent of British reaction. That was the price he paid for keeping the secret of Skybolt's fate from the services.

Foreign assessment during phase B was at the heart of the Skybolt mishap. One small information failure was telling, other large ones deadly. Given the prevailing mind-set in Washington, Polaris-committed-to-NATO seemed the obvious equivalent of Skybolt. But until mid-December no one examined the Camp David agreement closely, in part because the U.S. government had no accessible copy! Indeed, tracking down the agreement proved to be no mean chore, since it was in Eisenhower's personal papers, not in official files. Only *after* his tiff with Thorneycroft did McNamara discover that Skybolt had *not* been committed to NATO.

It is hard to imagine how Washington could have done better than to have had David Bruce in London (and Kennedy's friend, Sir David Ormsby-Gore, in Washington). Bruce had easy access throughout Whitehall, and his cables were "must" reading in the White House. Yet he was immobilized in the weeks preceding Nassau. He was informed of the McNamara warnings to Ormsby-Gore and Thorneycroft, but informed by McNamara through military channels, without a word from his own Department. He could not be sure that *his* Secretary approved of what was afoot. A cautious professional diplomat, he felt that he had been given no mandate to snoop around Whitehall while the other Department's Secretary was about to arrive for consultation.

More generally, procedures and perspectives of information-gathering agencies limited the utility of the information they produced. State Department political reporters talked mainly to their Foreign Office counterparts. But the British problem was political, not merely foreign political, and involved several ministries in Whitehall, the parties, budgetary channels and career patterns. Nor was the intelligence channel enlightening: the two nations' intelligence services cooperated closely *vis-a-vis* third countries, but by custom did not "spy" on one another.

Would better information have made a difference? Probably, but it seems unreasonable to expect better reports without more pointed questions from Washington. Had Washington asked the right questions, many could certainly have been answered. There were important subtleties, perhaps beyond the mission's reporting and analysis capability. An example is Thorneycroft's problem given his recent return to Cabi-

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net and his need to avoid appearing disloyal to his services either by abandoning Skybolt (for which he personally had little affection) and thus seeming a traitor to the RAF (which relied upon Skybolt); or by embracing Polaris, which threatened the carrier Admirals and thus the Royal Navy. But the U.S. embassy in London could certainly have discovered, if asked, that the "clever chaps" were not devising an alternative, contrary to Washington expectations. It might also have discovered that what Thorneycroft and Macmillan were waiting for was a display of American generosity.

This case suggests some of the reasons why Washington cabinet officers refrained from putting questions clearly. First, the calculation of busy officials was mostly dominated by Washington concerns. Framing actions on the basis of fine detail about foreign counterparts was a bother. Second, to ask questions would have been to widen the circle of people who knew what was going on, thus threatening Washington-based bargaining. Having been instructed by Rusk not to contemplate giving Polaris to the British, McNamara avoided a fight with Rusk's "Indians" by keeping the issue under the table. That Rusk had not informed Bruce also meant that reporting capabilities would likely be underutilized. Third, the frames of reference used by principals on both sides of the Atlantic permitted reliance on convenient analogies ("if I were the Minister of Defense") and prediction by comfortable assumptions about what a clever, unitary government must do.

Failures of reporting thus reflected failure in analysis that, in turn, reflected "frames of reference" in the heads of American principals, as well as of foreign service officers at the embassy or on the desks. To quote one of Neustadt's chief conclusions:

> According to my reconstructions, these things are not very esoteric. What motivated Downing Street, it seems, derived from commonplaces in the bureaucratic politics and party politics of Britain, registering on the minds and temperaments of men long at the summits in their country's public life . . . In the instance of Great Britain as an ally, at least during the course of Skybolt, Washingtonians lacked for nothing save an adequate conception of the overlapping games in which they were engaged. While in practice they had insufficient information on the British game, and on its structural details, and on details of motivation, they did not lack for information *sources;* appropriately used—that is, to answer the right questions—these sources could almost surely have met most information needs.[1]

[1] *Alliance Politics*, pp. 130, 142–43.

C. How Did Organizational Arrangements Affect Implementation?

Implementation was flawed at several points in phase B, and aspects of organization were at the root of these errors. McNamara, not Rusk, was assigned responsibility for warning the British in November, for it was McNamara's missile, his cancellation, and he who had received the cable from his British counterpart asking about Skybolt. Later, after his meeting with Thorneycroft, McNamara did not de-brief his staff and did not convey to the President that Polaris-committed-to-NATO would not do. Without that word, there was no way to overturn State Department abhorrence of uncommited Polaris.

D. What Impact Did Congress and External Groups Have?

Congressional concerns constituted part of the motivation for secrecy about the cancellation decision in phase A, which in turn cast a long shadow in phase B. McNamara calculated, based on his B-70 experience, that Congress was more likely to leave out an appropriation which was not in the budget than to delete one which was. Hence the maneuverings to keep cancellation from the services, who would have complained of it to their Congressional allies. The need for secrecy was compounded by the activities of Douglas Aircraft, which sought to keep Skybolt alive and which had its own Congressional friends.

E. What Impact Did Personnel Systems Have?

The shallowness of political reporting in the Skybolt case seems directly related to the Foreign Service personnel system. State Department "political" officers are rarely in a position to know what is going on at the top of a foreign government (since they talk mainly to foreign office officials), nor are they trained to do so. There is little incentive to make assessment or predictions, and most reporting is a rehash of the day's headlines and events immediately behind them. Few reporters have the kind of competence which would have been necessary to notice that the technical flaws in Skybolt, about which Washington fretted, were of little consequence to the British. Finally, disconnected from deliberations in Washington, the reporters are seldom asked questions which bear on those deliberations.

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III. EVALUATION OF U.S. GOVERNMENT PERFORMANCE

American performance in the Skybolt affair will be evaluated as a whole.

A. *A Reasoned Conception of U.S. Objectives Was Present:* fair.

McNamara meant to cancel a cost-ineffective system and was prepared to sell the British a more effective alternative. Understanding of British objective, of the impact of this action on the Camp David deal, on Macmillan's political fortunes, and the special relationship, and of the consequences of this action for Europe was quite limited. In the end, the U.S. government paid too much both in strain and suspicion between Washington and London, and in hopes for Europe, to keep a pledge to a friend.

B. *The Best Obtainable Information Relevant to the Decision Was Made Available:* poor.

Skybolt's technical characteristics were well-understood by the United States, but British politics remained a mystery. Only when Kennedy flew to Nassau did he begin to understand what "independence" meant in London.

C. *The Implications Flowing From the Information Were Effectively Canvassed:* poor.

Defense decided Skybolt had to go, and it learned its lesson from the B-70 flight. But the government neither knew about nor understood Skybolt's place in British Cabinet politics; of the failures, assessment in Washington no doubt was more serious than reporting from the field. American officials did not lack for information sources, even granted the state of political reporting. Yet they did not ask themselves, or each other: how can we seem to be generous without being "soft?"

D. *A Full Range of Alternatives Was Considered:* poor.

A number of alternatives were not considered in any systematic way at a point when reasoned decision was possible. The best alternative, fifty-fifty, did not arise until its acceptability had been foreclosed. Uncommitted Polaris was scarcely considered before it was granted.

E. *All Appropriate Participants Were Consulted:* good.

Most of the proper officials were engaged, if not always at the proper time.

F. *The Decision Was Taken at the Lowest Level Possible:* good.

One exception: had Kennedy realized the full dimensions of the British problem sooner, he might have taken it on himself to warn Macmillan, instead of leaving the warning to the McNamara-Thorneycroft channel.

G. *The Decision Was Clearly Communicated to Those Responsible:* fair.

At several points, decisions were not communicated to those who, had they known, might have acted to improve the outcome. In order to minimize the possibility of leaks, State was not informed of the tentative Skybolt cancellation on August 24. Later, both Kennedy and McNamara selectively forebore to debrief members of their own staffs. The President did not tell Bundy (or anyone else) of his November 15 promise to Ormsby-Gore that there would be no leaks or firm decision on Skybolt before consultation, hence the importance of an early trip was not impressed on a busy McNamara.

H. *The Actions of the Responsible Officials Were Monitored:* fair.

Bundy does not seem to have actively monitored official action in the weeks before Nassau. Partly, since he did know of the President's commitment to Ormsby-Gore, he had no reason to press McNamara to go to London, although he did inquire several times. McNamara's subordinates did suggest that he go or that he send an advance party of staffers, but the Defense Secretary rejected the latter idea and kept postponing his own departure.

I. *The Results of the Decision Were Noted and Assessed:* poor.

The failure to understand the effects of cancellation on the British was the basic error in the Skybolt case.

J. *The Resources Committed to the Action Were Commensurate With the Task:* poor.

Even putting aside other U.S. objectives, the government paid a high price for preserving British "independence." It might have been secured for less.

K. *The Decision Process Was as Public as Was Consistent With Its Nature:* hard to grade.

In context, there were powerful arguments for secrecy. Not only was there the desire to keep word of cancellation away from the Air Force and its Congressional allies, but both State and Defense wanted to keep several Skybolt options open for the British, and publicly discrediting the weapon (as happened) would have torpedoed those options. Still, it is hard to be enthusiastic about a budgetary process in which reasonable decisions depend on surprise attacks.

L. *The Decision Was Broadly Consistent With the Public's Sense of U.S. Interests:* good.

As with offset, any formulation of public interest in Skybolt would have been vague. The public presumably would have felt some special sympathy for the British as America's closest friend (as did the Eastern Establishment) but also would have applauded saving money and limiting nuclear proliferation by closing out the British independent deterrent.

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IV. PROBLEMS DISPLAYED IN SKYBOLT

It would be interesting to speculate about the performance of either a formal, NSC-type system or an informal working group in 1962, for neither existed. Defense pressed its "button"—killing Skybolt—and the government was left to tend to the political fall-out. There was little coordination between Defense and State, and much of the process ran without White House knowledge, Rusk's men foisted instructions on McNamara which the Defense Secretary knew were not Rusk's own, and McNamara himself sat on a crucial bit of information. Much of the discussion of alternative structures, however, would parallel the comparison given in the offset case. The issue will be taken up in later cases and in the conclusions.

- *Foreign Reporting and Assessment.* Three weaknesses in government operations are plain: (1) the failure of Washington officials to put questions to the embassy about what Washington needs to know, (2) the limits of political reporting, particularly in the absence of guidance, and (3) the poverty of analysis, either in Washington or in the field, of the fine detail of internal bargaining in allied governments and of the concerns of counterparts with whom American principals deal. How to create mechanisms and incentives for improved reporting and assessment is an issue taken up in the conclusions.
- *Personalities, Organization, and Operating Styles.* Skybolt demonstrates that people and their operating styles are an inseparable piece of the problem. Organization (e.g., the departments), Presidential directives (e.g., Kennedy's directive that the Secretary of State should take the lead in American foreign policy), and tradition (the Secretary of State's traditional position at the President's right hand) do not assure that "diplomatic" or "foreign policy" considerations will be well-represented in the process of making American foreign policy. Personalities and operating styles of the key individuals matter, and nothing assures that individuals will "fit" their job descriptions or that the overlap of operating styles will necessarily or naturally mesh. How mismatches can be identified and coped with is an important organizational problem.
- *Staff-Staff Relations.* Relations among principals are critical, but other relationships are also important. It is not enough to have competent staffs. Principals must de-brief their staffs regularly, and good, continuous working relations between staffs are important to avoiding errors produced by lapses of memory or gaps between principals' spheres of responsibility.
- *Staffing the White House.* However coordination is managed, but especially if it is done informally, the question of White House staffing remains central. During the offset case, Walt Rostow and Francis Bator shared White House foreign policy responsibilities—Rostow as first among equals but Bator with independent access to the President. A roughly similar situation prevailed in 1962, with Bundy and Carl Kaysen. Kaysen had a watching brief for defense budgeting, but at a crucial time early in the Skybolt affair he left for duty in India. What Bundy lacked was his own "Bundy"—an all-purpose deputy to watch the distribution of assignments and make sure that no issues fell into the cracks between them or went unattended when busy officials concentrated on other duties.

  More generally, how should work be parceled out, and how stable should assignments be? In 1966–67, Bator was more or less permanently assigned to watch international economic affairs and Western European politics. That grouping seemed natural then but might not seem so now, given the links between oil imports from the Middle East and international money. Should White House staffers be co-equals or, as in the Nixon Administration, a principal, Kissinger, with subordinates? And should any distribution, even the now-customary division between domestic and foreign affairs, be fixed or permanent?
- *Presidential Files.* That the Camp David agreements were not available anywhere in the U.S. government is indefensible. Current rules governing ownership, location and use of "official" as well as "private" files of government officials are a shambles. Procedures should be established to maintain for ongoing U.S. government business an institutional record (and memory), while also safeguarding rights of officials to personal documents.

The Skybolt case contains another lesson, this one more behavioral than structural but with organizational implications. In somewhat different form, it is a lesson of offset as well. Joint ventures of allies are risky, the more complicated the riskier and the more enmeshed in complex, political processes of the governments involved (like budgeting) the more likely to fail. The counterpart of avoiding risky joint ventures—especially those, like Skybolt, which technical experts oppose on the merits—is limiting the claims made on allied governments to ones which do not depend on particular combinations of circumstances or

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personalities. In offset, the United States claim on German politics went to essentials, to the complex and sensitive process of allocating government expenditures; Skybolt was similar, with the roles reversed, the United States having made a pledge which depended on the outcomes of processes of budgeting and technical development.

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The Demise Of The Multilateral Force (MLF), 1964*

Based on analysis by Graham T. Allison and Gregory F. Treverton

The MLF case resembled the Skybolt affair in many respects. Both involved joint weapons. Both came to bear in the end most directly on the United Kingdom, although both had crucial effects on other European allies of the United States. In both cases, State Department officials below the Seventh Floor were eager advocates. But if Skybolt shows how badly the U.S. can misunderstand even a close ally, MLF stands as an "existence theorem" for the possibility of better American assessment of foreign government behavior. Thus this analysis focuses on a single dimension of the MLF history: U.S. understanding of the new Labour government and its handling of the MLF issue. Two "tests" present themselves for examination: (1) predictions made in the summer of 1964 about the preferences and actions of Labour, if it were to win the fall election; and (2) assessment of the Wilson government prior to the December meeting between Wilson and Johnson. The first is particularly accessible to study since the key document was "liberated" four years later by a British radical journal, the *New Left Review*.

In both instances, U.S. reporting and analysis of British preferences and actions is complicated by the activity of American MLF advocates, a group that came to be known in other parts of the government as the "cabal." These officials operated in this case not so much with clear authority, as with a "license," a conditional grant of authority they sought to make firm. Pressing the MLF both on European governments and on the U.S. government at every opportunity, they generated and induced reports and analysis from Washington, from U.S. embassies and from foreign governments. There is therefore some difficulty in separating out the "normal" assessment of foreign governments from judgments affected by strong policy preferences on this issue.

I. OVERVIEW

Strong British participation in the fleet was an essential ingredient for the success of the MLF. While the Conservative government was acquiescing unenthusiastically in the American initiative, British elections were scheduled for October 1964, and Labour was expected to win. Labour had no public position on MLF but seemed to be leaning toward it. Indeed, some members of the party talked as though they wanted to dispose of all of Britain's atomic weaponry, in order to appease Labour's "ban-the-bomb" wing, and MLF would be a convenient receptacle for the weapons. The cabal argued that since Labour seemed committed to MLF, reflecting both policy preference and deeper uncertainty about Britain's independent nuclear role, the U.S. should prepare to seize the moment, moving immediately after the election to wrap up the deal.

McGeorge Bundy, the President's Special Assistant for National Security Affairs, was not so sure. What was the Labour Party's real view on MLF and how much did the U.S. government know about these views? Reports from the embassy in London supported the advocates' claims, but how much were these reports affected by the cabal? Recalling Skybolt (and having recently read the analysis of that event in Neustadt's report to Kennedy), Bundy decided to reach out for more information and an independent judgment. He recalled Neustadt and, taking advantage of his plans to be in London as a private citizen, asked him to scout about. The as-

*This summary analysis draws on two memoranda by Richard Neustadt. One of these was picked up and published by the *New Left Review;* it is attached to this report as appendix A. The other memorandum remains classified. The effect of the documents can be inferred from the public record, particularly from Geyelin's account in *Lyndon Johnson and the World.* That chapter is included in the background volume.

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signment apparently went as follows: "Assuming a Labour victory in October, what position will Labour take on MLF once the government is organized?" This implied attention to four separate issues: (1) What did the prospective Labour Government understand to be the American position on MLF? (2) How did prospective Labour front-benchers view MLF "on its merits?" (3) When would they be ready to confer on MLF? and (4) How would they approach discussions with the United States on the issues? What would they expect and accept in return?

Neustadt went to London and did the kind of analysis he had prescribed in his Skybolt study for President Kennedy. Not only did he go to principals and bureaucrats and ask about their views, he *analyzed* the information systematically and developed specific predictions. The method, more implicit then than now, involved asking and answering questions like the following. Treating the British government as the decision-making unit, (1) who are the players? (2) what will determine their stands on the issue? (3) how will the competing preferences interact to yield a government position? and (4) how will various U.S. actions impact on that process of reaching decisions?

Neustadt's analysis—the document liberated by the *New Left Review*—is reproduced as an appendix A. His analysis yielded a number of important predictions.

(a) Both the prospective ministers and the top civilian officials in the Ministry of Defense (MOD), the Foreign Office and Number 10 believe that President Johnson wants negotiations with the British wrapped up before the German campaign period in 1965, and that, judging from his performance as Senate leader, Johnson can be expected to make a "deal" for British participation.

(b) Despite official statements, no member of the front bench is impressed with MLF on its merits. Wilson, Gordon Walker (the likely Foreign Secretary), and Denis Healey (the probable Defense Secretary) are all skeptical. Civilian MOD officials find MLF of no account on military grounds and see no budgetary compensation in it. Foreign Office civilians may be expected to urge affirmative response to the United States and probably to bring Walker around to that position as well.

(c) The Government will not be ready to confer with the United States on MLF before January (and thus should *not* be rushed right after the election).

(d) The British will approach negotiations warily, hoping to do the minimum required. First they will test American intentions in the context of events after the U.S. election. If given an opportunity, they will try to postpone action on the issue indefinitely. If Johnson appears determined, Wilson will be likely to propose an alternative to MLF, such as a new inter-allied consultative mechanism or a multi-national force (ANF) or "preliminaries" (like arms talks with the Soviet Union). If the U.S. response is negative, Wilson eventually will agree to participate in a mixed-manned force, provided it is subject to some form of U.S. veto, ditto for the British, and provided it is sweetened for MOD and Healey by American orders for British aircraft or American support for a British presence east of Suez.

In this case, the bets were pretty much on target. Senior American officials (especially Bundy and McNamara) thus had some understanding of (1) the views and priorities of prospective Labour ministers, (2) the ways they would relate to each other and British officialdom and the military in forming a government position on MLF, and (3) the likely opportunities and costs for the U.S. in influencing the Labour Government on this issue. Armed with this analysis, Bundy *et al.* resisted pressure to sweep down on the new Labour government, avoiding what in their eyes might have been "another Skybolt."

This led directly to a second test of foreign assessment. Prior to the President's December 1964 meeting with Prime Minister Wilson, Bundy again called on Neustadt—this time at McNamara's instigation—and asked him to help staff preparations for the President's first meeting with Wilson after elections on both sides of the Atlantic. Neustadt returned to London, this time officially, to review his earlier predictions now that Labour was in office. In addition, he tried to gauge likely British reactions to a range of possible American actions. On the basis of another careful examination of the Cabinet and bureaucratic politics of MLF, a strategy was prepared for securing British participation in the fleet, on the assumption that the President wanted it. Preparation was also made for de-fusing the issue, if Johnson decided to reverse course.

In the event, the President decided to do just that —apparently because of the lack of Senate support for the project. After Wilson arrived in Washington, LBJ reversed his earlier policy and "sank" the MLF. Although Wilson was surprised not to have his arm twisted to the point at which he was prepared to cry "uncle," his position was carefully charted at the White House and the President's zigzag produced no flap. Reading between the lines of the most authoritative available account of this episode (Philip Geyelin's description in *Lyndon Johnson and the World**) one gains the impression

*This excerpt is available in the background volume.

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that while Johnson's motivations seem to have puzzled Wilson, Wilson's were to LBJ an open book.

II. ANALYSIS AND EVALUATION

Did "organizational arr ements" affect U.S. understanding of Labour's position on MLF? Evidently. The principals in the U.S. government had available regular political reports from the embassy, reports and analysis generated and induced by the cabal, and an analysis by an independent agent. Differences in the quality of these products reflect important differences in organization, methods of operating, and incentives.

Some ingredients of successful "foreign assessment" are plain to see. First, Neustadt had a thorough familiarity with the fine detail of internal politics in Britain, a "map" of Cabinet and bureaucratic politics, developed and refined over several years of close watching. Nor was his frame of reference left entirely implicit. As a scholar as well as consultant, he strained to articulate concepts useful in identifying the complex and subtle forces at work in British politics. Contrast this with the background and framework usually available to political reporters or desk officers, much less policy advocates.

Second, Neustadt had a clear sense of the issues principals cared about in Washington. He knew what they felt they needed to know. This gave him an enormous advantage in directing his search in London and in focusing his report when he returned. The fact that the answers really mattered to people with clout in Washington gave him incentive to do the best work he could. Again, the contrast is painfully plain.

Third, Neustadt had access, based in part on years of association with British politicians and bureaucrats, in part on British officials' perception that he was part of the "Kennedy clique." He could talk to British principals as well as to second and third level officials, and in many instances, interpret present statements in the light of views expressed over many years past.

The problem that emerged from this case is how to develop devices and procedures for assuring that the best possible reporting and analysis are regularly available to American principals in alliance relations. Some of the advantages illustrated here are not limited to a "Neustadt"; perhaps it is possible to confer them on regular political reporters within existing structures, or it may be that rather different organizational forms are required. These questions are addressed in the final chapter.

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CHAPTER 6

The Status Of Okinawa, 1961-69*

Based on a case by Priscilla Clapp

The Okinawa case brings into sharp focus two issues of organizational structure and decision-making. First, what mechanisms or procedures are appropriate for working out sensible tradeoffs between military interests on the one hand, and broader foreign policy interests on the other? This is related to a second, larger question of coordination which has appeared in other cases, but the specific interplay of military and foreign policy considerations has special wrinkles.

In 1961, the Joint Chiefs of Staff were adhering to their claim that American control of Okinawa was "vital to U.S. security interests." They firmly resisted any infringement on the Army's mechanisms for maintaining control. Between 1966 and 1969, a process of deliberations, coupled with intermediate actions to return government to Okinawan hands, succeeded in producing a satisfactory formula for the reversion of Okinawa to Japan. The formula was satisfactory politically because it provided for *non-nuclear* reversion, relieving the mounting pressures in Japan against the bilateral security alliance; and at the same time, it preserved the military utility of the Okinawan bases for the U.S. Although the original American guarantee of "residual" Japanese sovereignty over Okinawa had probably made reversion inevitable, the timing and design of this action might have been quite different without careful planning and coordination of multiple intermediate actions. The consequences of a haphazard, uncoordinated approach to reversion would have been serious, unnecessary frictions in U.S. relations with Japan and, perhaps even irresistible pressures in Japan for abrogation of the U.S.-Japanese security treaty.

A second issue of importance in this case is the extent to which successful decisions and actions depend on having key positions manned by individuals who are sensitive to a broad conception of U.S. interest. For example, in the early 1960's, the American High Commissioner in Okinawa frustrated the President's announced policy; whereas his successors not only implemented policy faithfully but helped others in the process to understand the nature of the problem.

I. THE DECISION PROCESS

The resolution of the status of Okinawa involved (1) recognition of the diplomatic/foreign policy interests at stake, (2) examination of the military/security value of Okinawa, and (3) balancing the two sets of considerations. Stages in the development of this case were delineated by the biennial visits of Japanese Prime Ministers to Washington.

Attacks on the problem in the late 1950's and early 1960's were limited to the first step: recognizing and calculating the political problems caused by military occupation of Okinawa. American officials knew that a number of limited diplomatic and political gestures could be used to ease pressure in Japan and, in effect, to avoid confrontation within the American government over the issue. The instinct of senior officials was to rely on these gestures rather than to contemplate a major policy shift.

The Kaysen task force report of 1961 examined measures—other than reversion—which could be taken to ease pressures on Okinawa without basically disrupting or questioning military control. White House representatives wanted to avoid engaging in debate with the Joint Chiefs of Staff on an issue that was not yet very pressing politically, because disagreement on this issue might affect the debate on larger, more pressing issues. On the basis of Kaysen's recommendations, the President moved to increase economic assistance to Okinawa and restated Japan's "residual" sovereignty. The

*This summary and analysis draws on a case study by Priscilla Clapp. That case, related to a larger project of the author's, has benefitted greatly from interviews with Washington officials who participated in the events recounted, as well as from extensive comments by Morton Halperin.

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High Commissioner of Okinawa, Major General Caraway, refused to implement the President's request for Japanese participation in the aid contributions, and he effectively undercut the new civilian administrator appointed by the President. Thus the effect of Kennedy's decision was more symbolic than real, at least initially. (When Caraway retired and left Okinawa, the impediments against implementation were removed.)

In 1965, the warning expressed by Ambassador Reischauer that failure to plan for Okinawan reversion would jeopardize the bilateral security treaty after 1970, began to take effect within the Washington bureaucracy. A State-Defense group was formed to define the problem and anticipate Japanese actions to retrieve administrative control over Okinawa. In 1966, the task of this group was passed to a special study group under the newly formed SIG/IRG system.

A study done by this group, in preparation for the 1967 summit became the vehicle for finally taking a hard look at the functions of U.S. bases on Okinawa and how conventional operations would be affected if the bases were to come under the restrictions of the Security Treaty. It was discovered that the loss of flexibility on Okinawa under such conditions would be neglibible: only the B-52 bombing missions would be subject to Japanese government approval. This loss could be overcome by use of other Asian bases.

By the time the Japanese government opened discussion of Okinawa, before the 1967 summit, American officials had prepared an interim schedule of actions intended to lead to reversion soon enough to undercut pressures against renewal of the mutual security treaty. Within the IRG study group, moreover, a schedule had developed for addressing the various hurdles anticipated en route to reversion. For example, the question of conventional military operations was dealt with first. The more contentious issue, nuclear weapons, was to be saved for last, when momemtum would presumably have developed against retaining nuclear weapons on Okinawa after reversion.

Although considerable progress had been made before the negotiations for the 1967 summit meeting, the means of ensuring Presidential attention to the options available were limited by the SIG/IRG system. In particular, there was no way to circumvent the cabinet hierarchy and their personal inclinations toward very gradual movement. Anticipation of a strong, adverse reaction from the Joint Chiefs of Staff, in spite of their signature on formal documents, contributed significally to the roadblock in the system. On the basis of the 1967 IRG study, an options paper had been drawn up and circulated to the concerned departments. The Secretary of State, through whom the paper would have to pass to the President, chose not to forward it, although all the signers had indicated willingness to move toward reversion. When the Japanese side came directly to the White House proposing an agreement on reversion at the 1967 summit, the President insisted on Congressional consent. The disapproval of the Chairman of the Senate Armed Services Committee was enough to convince the President, the Secretary of State, and other American officials that caution was necessary. (The reaction of certain key Congressmen and Senators was interpreted as a reflection of the true feelings of the Joint Chiefs of Staff.) Thus in 1967, although it was agreed to take steps to integrate Okinawa with Japan, no bilateral agreement on reversion was reached.

By 1969, when the next bilateral summit was scheduled, there was a new president and a new Republican administration. An important consequence of this change was that an alternative means had been devised to draw options to the Presidential level, thus making it possible to plug middle-level deliberations directly into final high-level decisions. At the same time, those who had been instrumental in the 1967 IRG study effort moved into positions within this new NSC structure. Naturally, they defined Okinawa as an issue to be considered immediately at the Presidential level, in preparation for the decision that would be required at the 1969 summit meeting. There was by now enough momentum toward reversion that failure to reach a satisfactory decision in 1969 would cause very serious damage to U.S.-Japanese relations. Building on the earlier study effort, the 1969 NSSM-5 study dealt with a wide range of issues in U.S.-Japanese relations and cast the Okinawa problem in light of its potential to undermine the U.S.-Japan alliance. In purely military terms, the costs of returning Okinawa and accepting some loss of flexibility to those bases was far less than losing the bases throughout Japan if antagonism to the security treaty in Japan should threaten its future. The National Security Council met to consider the options presented in the NSSM-5 study. On the basis of this meeting, a NSDM was issued directing the State Department to negotiate reversion in return for relaxation of prior consultation and a firmer Japanese commitment to the security of Korea, Taiwan, and Vietnam. It specifically left the issue of nuclear weapons to the President for decision at the summit.*

*In fact the story is more complicated, and is elaborated elsewhere in this report, involving a Kissinger "back channel" and linkage to textiles. But those strands go beyond the purposes herein.

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II. ANALYSIS AND EVALUATION

A. The Evolution of the Joint Chiefs' Position

At the outset, the Joint Chiefs of Staff appeared to be an immutable obstacle to any reversion of Okinawa. From their point of view, the situation which had existed since the end of World War II was clearly the most desirable on military grounds. Okinawa was run as a military fiefdom and the military was free to do essentially whatever it wanted, perhaps a cause in later years of incipient riots or strikes by the Okinawan population. The bases on Okinawa could be used for any military operation authorized by the President, without consulting the local population or the government of Japan.

Without the agreement of the Joint Chiefs, and since a President would have paid a high price to overrule the Joint Chiefs of Staff on the issue, it was unlikely that the United States government would agree to reversion. Reversion involved a treaty requiring ratification by the United States Senate. No treaty had been submitted to the Senate in the post-World War II period without the concurrence of the Joint Chiefs of Staff. Presidents and Secretaries of Defense had gone to great lengths to get the Chiefs on board, as did McNamara with the Test Ban Treaty. Many in the Executive Branch believed that the Senate simply would not ratify a treaty unless the Joint Chiefs said that it was consistent with the national security interests of the United States. That would be particularly true if the treaty involved giving up American base rights while getting nothing tangible in return. Moreover, even if a treaty could be ratified without the support of the Joint Chiefs, the attempt would produce a rousing battle and the President would use up a substantial amount of credit with individual Senators.

The path to Okinawan reversion lay through, not around, the Joint Chiefs of Staff. It would require a process of study and argument which brought the Chiefs to support (or at least acquiesce in) the decision in the light of broader judgments about the long-run security interests of the U.S. That process involved three related elements: (1) an effort to force the Joint Chiefs of Staff to rethink the military importance of Okinawa, (2) an effort to convince the Joint Chiefs of Staff that there were diplomatic requirements which might overrule the military requirements of continued American control of Okinawa, and (3) assurances to the Joint Chiefs that any decisions would be taken as a result of an open decision-making process in which their views would be considered fully by the President. The following paragraphs discuss each of these elements in turn.

When asked for an opinion on an issue, and lacking major changes in the problem, the Chiefs tend to repeat what they have said previously. Requiring concurrence of the three services and of the unified commander involves procedures in executing their responsibilities, and positions are not changed capriciously. Because of the need for concurrences, a Joint Staff action officer makes as few changes as possible in previous positions.[1] The Joint Chiefs reiterated consistently from 1950, therefore, the position that continued retention of Okinawa as an American military base was vital to the security of the United States.

The themes which ran through the JCS papers remained constant. Okinawa was viewed as an island base and not an island with bases on it; it was the "keystone of the Pacific"; the continued operation of the base depended on continued American control of the island (the problem of road congestion and administrative inefficiencies were continually cited). In general, the Joint Chiefs took the position that Okinawan reversion could not precede a fundamental change in the security situation in the Pacific—or as the Japanese had come to describe it, not "until the sky was blue."

To engage the Chiefs in meaningful dialogue on these issues, civilian officials in State and the Pentagon needed their own assessment of the military consequences of reversion. They needed to understand in detail what military functions were in fact performed by the Okinawan bases, how these functions would be affected by reversion, and how well they could be performed at other locations in the event that the Okinawan bases were lost in the reversion process. The Rand Corporation was asked to undertake a study of the military consequences of the loss of bases on Okinawa. This study was conducted by a retired military officer who moved into the office of International Security Affairs, working in close association with the office of Systems Analysis, which McNamara ultimately called upon to confirm the validity of the study.

The dialogue with the Joint Chiefs of Staff with respect to the issue began at the same time as the Rand study. In the first stage, relatively routine, the Secretary of Defense simply asked the Joint Chiefs of Staff for an assessment of the military consequences of reversion. That, as expected, was the same basic paper that the Joint Chiefs had been producing in response to the question over the years. Reversion was unacceptable; the military consequences would adversely affect the security interests of the United States. The paper was conclusory and did not systematically assess the actual

[1]Regarding this process, see the Fitzhugh Report (*Report to the President and the Secretary of Defense on the Department of Defense by the Blue Ribbon Defense Panel*, July 1, 1970), especially appendix N.

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activities conducted from Okinawa nor consider how they might be conducted should reversion occur.

Following this first round, civilian Defense officials prepared detailed questions on the JCS memo. These questions were intended to induce the Joint Staff to deal directly with the particular issues involved and with the military consequences of Okinawan reversion. The reply memorandum also was designed to demonstrate to the Joint Chiefs that the Secretary of Defense wanted new attention given to the problem. This memo was followed by informal conversations and discussions between the Rand researchers and others in the Office of the Secretary of Defense, and particular offices in the military services, designed to get the services to focus on the Okinawa reversion memoranda and to provide inputs based on their own expertise. One crucial change in JCS policy was rather easily produced; it concerned the question of whether maintenance of the bases on Okinawa was vital to U.S. plans for nuclear war, and specifically, to the Strategic Integrated Operating Plan (SIOP).[2] The JCS position, originally taken years before when most strategic nuclear weapons were deployed on forward bases, viewed reversion of Okinawa as drastically degrading the capability of the United States to deter the Soviet Union and China. While that was no longer accurate, the importance of conventional forces and support bases on Okinawa had increased considerably. On specific questions to the Strategic Air Command and the Joint Strategic Target Planning Staff, the degradation of nuclear capability from a sudden loss of the Okinawa forces was small and could be overcome in a matter of days by retargeting and reprogramming. The Strategic Air Command, disdainful of the contribution of forward based systems to the strategic deterrent in any case, thus provided a new input, making possible a revised opinion by the Joint Chiefs on the importance of Okinawa to the strategic nuclear deterrent. Similar exercises took place with regard to other functions performed from the island.

The JCS second response to the Secretary of Defense showed some flexibility in their position. The Chiefs recognized that the military consequences of reversion could be broken into a series of separate issues such as air defense, early warning, delivery or storage of nuclear weapons, and logistics operations. Many of the functions performed from the Okinawa bases were duplicated from bases in Japan without interference or objection by the Japanese government. The JCS recognized that some of the functions performed on Okinawa could be performed equally well from other bases. Nevertheless, while answering the specific questions in a way which implied some movement, the Chiefs remained fixed in their general conclusion that reversion would have unacceptable military consequences.

At the next step in the process, the Secretary of Defense asked the Joint Chiefs to comment on the study prepared in his office, which was actually a modified version of the Rand study. The third go-round with the Chiefs demonstrated further the personal interest of the Secretary of Defense in the matter. This study, while not minimizing the consequences of reversion, nevertheless suggested that there were no insurmountable obstacles to maintaining the same military capability and effectiveness as the United States then possessed. Without accepting the study completely, the JCS comment on it moved them still further toward accepting that the consequences of reversion were calculable and limited.

Yet that alone would not have been enough. Even though the JCS agreed that the consequences of reversion for military effectiveness would not be as awesome as they had thought, from a military point of view it was still clearly preferable to maintain Okinawa as an American island. In order for the Chiefs to be willing to agree to reversion, the process had to persuade them not only that military costs were less than they had thought and were manageable, but also that there was on the other side some imperative, some requirement from another perspective, which would outweigh the adverse military consequences of reversion.

The military, like other career bureaucracies, generally defers to the expertise of other career organizations in their areas of specialization. The Joint Chiefs therefore, could recognize the diplomatic necessity for reversion, if framed in responsible diplomatic judgments about the likely consequences of U.S. rejection of Japanese demands for the return of Okinawa. In the early 1960's, Ambassador Reischauer declared that reversion was imperative, whenever and wherever he had the chance. By contrast, U. Alexis Johnson, who had built up a reputation as a wise and effective diplomat, was reluctant to provide reports from Tokyo stressing the need for reversion until he was sure that there was sufficient concession on the military question that reversion was not impossible. Once movement started, however, Johnson took the leading role in the informal conversations with the Joint Chiefs themselves and with other key military officers in stressing the political necessity for reversion prior to 1970. The efforts of Johnson at the senior level were reinforced by conversations between Richard Sneider and, at a lower level, Albert Seligman, of the State Department, and their counterparts in the Joint Staff and the military services. These informal conversations, coupled with posi-

[2]For discussion of the SIOP, see Part III.

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tions taken in IRG papers, served to build a case for the diplomatic necessity for reversion. The Chiefs gradually accepted urgings that the entire American base structure, not only in Okinawa but also in Japan, and the American-Japanese relationship, would be jeopardized if reversion could not be agreed to by 1970. This political necessity, stated firmly by the State Department, induced the Joint Chiefs to concur on the grounds that maintaining the overall base structure in Japan and Okinawa was more important than maintaining the added flexibility in the use of Okinawa bases which derived from American control of the island.

The third element in securing Joint Chiefs of Staff acquiesence in Okinawan reversion was assuring them that the decision would be taken in an open way, one in which their views would be fully consulted and in which they would be fully informed of what was going on. Specifically, this meant that the decision would be taken by the Commander-in-Chief himself and on the basis of a full understanding of their position as well as those of other organizations.

The Joint Chiefs had grown suspicious of Secretary McNamara's procedures for establishing Pentagon policy positions and had come to believe, in particular, that their views were not always forwarded to the President or were forwarded to the President in a summary form, in footnotes written by McNamara's staff and attached to his memoranda to the President. Moreover, since decisions were often made in the informal atmosphere of the "Tuesday lunch", it was not always possible to determine precisely what had been decided, or whether the particular objections and concerns of the Joint Chiefs of Staff actually were considered by the President before he made his decision. Late in the Johnson Administration, an attempt was made to put formal memoranda before the President which included as an appendix a full statement of their views. Under the Nixon 1969 NSC System, the Chiefs were assured that their views would be presented to the President, and the Chairman of the Joint Chiefs was present at the NSC meetings at which the decisions for the Okinawa reversion were made.

Thus, by the time that the critical decisions had to be made, in 1969, the Joint Chiefs of Staff were agreed that there would be only limited adverse military consequences from the reversion. They had come to understand the diplomatic need for reversion and the threat to the entire base structure entailed in a failure to agree to it. And finally, they were satisfied that the President of the United States understood their concerns and had taken them fully into account in arriving both at his general position and at specific policies on base rights and nuclear storage. Moreover, JCS views had been accommodated by achieving increased flexibility for conventional operations from bases in Japan itself in return for some reduction in the flexibility of the Okinawa bases. Even on its own terms, the trade could be argued to have increased American flexibility, particularly in dealing with crises in the Taiwan Straits area or in Korea. In the case of nuclear storage, special efforts were made to accommodate the Joint Chiefs' views. So, eventually, to the surprise of many, the Joint Chiefs of Staff were prepared to endorse Okinawa reversion and to accept the specific terms of the reversion worked out in the negotiations with the Japanese. The success of this process suggests that it may be a model for getting the JCS (or another department) to reexamine an issue that it controls, taking account of the broader foreign policy interests of the nation.

B. The Importance of Individuals

A second issue illustrated by the Okinawa case study is the critical importance of individuals, particularly in roles in the field and in roles associated with the implementation of decisions. A consciously designed and crucially important element of the evolution of this decision between 1966 and 1969 was the effort of those engaged in the interdepartmental bargaining process in Washington to maintain coordination between the progress of their thinking and the way that the issue was reflected in actions taken in the field. Basic to this coordination was the maintenance of constant and careful communications with the U.S. Ambassador in Japan and the High Commissioner on Okinawa. This was accomplished through official State Department channels, channels between the Department of the Army and the High Commissioner, and regular communications between the Ambassador in Tokyo and the High Commissioner.

The Secretary of the Army had begun exercising his own authority to affect the Administration of Okinawa shortly after the Kaysen effort of 1961. Based on his experience with the Kaysen task force, the man who became Secretary of the Army in 1962 made a special request to the Army Chief of Staff to keep the Secretary's office informed on matters pertaining to Okinawa, and he created a new position in his office to oversee the task. Gradually this began to have an important effect on the choice of High Commissioners and the conduct of the military administration on Okinawa. Between 1966 and 1969 a Department of the Army official from the Secretary's office was involved in all of the interdepartmental studies and carefully coordinated the work of his office to support the momentum toward reversion.

A system of regular reporting from the field was purposely built into the IRG study group effort, not only to dramatize the increasing political pressures but also to keep a direct connection between that study group and the field operations. In addition, personal contact was maintained between the study group's chairman and the U.S. Ambassador to Japan. From 1966 until the time of reversion (1973) close communication and coordination was maintained between the Ambassador and the High Commissioner on matters relating to Okinawa.

Finally, the smooth progress of this issue to decision was undoubtedly ensured by a fortunate series of personnel movements within the bureaucracy between 1966 and 1969. With the change in administration in 1969, two key members of the study group moved onto the new National Security Council staff and made sure that the results of earlier studies were used to best advantage in the final decision. In mid-1969 Richard Sneider moved back to the State Department from the NSC staff to negotiate the agreement with the Japanese, thus maintaining the continuity of his earlier negotiating efforts. In early 1969 Ambassador Johnson was named Under Secretary of State and came back to Washington as a respected adviser of the President. At Nixon's request, he was specially invited to the crucial NSC meeting of April 1969 to present the case for non-nuclear reversion.

The lesson is clear: in seeking to move policy in a general direction over a period of time, nothing is more important than the career officials, particularly in overseas positions, who will have an impact on the way the climate of opinion moves and the decisions are implemented. When dealing with any complex political-military decision, mutual distrust between military leaders and diplomats is built into the system and must be overcome if rational decision is to be reached. The continuous involvement of a collegial core of officials, from various departments, throughout the decision process, and the continuous identification of select senior officials with the issue can facilitate the process.

C. Managing Issues for One-Shot Presidential Decisions

A final insight from this case concerns processes for managing issues that require discrete, one-shot Presidential decisions. Okinawa was not the sort of issue the President wanted to take on in 1961. Even President Johnson appears to have been reluctant to carry it too far in 1967. On the other hand, it was the sort of decision that was best made once and for all, rather than piecemeal. For example, there might have been an interim step under which the administrative rights were returned to Japan, but the Okinawa bases were exempted from the provisions of the security treaty. There was considerable opinion within the American government favoring this course. However, it would not have solved the political problem with Japan, because Okinawa would still be a target for those opposed to the security treaty. Thus it was important that the options for decision get to the President in such a way that a single final decision would be seen as feasible and desirable.

The SIG/IRG process that proved quite successful in leading the JCS and other departments to look at Okinawa from a different perspective also developed a government-wide recommendation on the issue of reversion. But as structured, SIG made recommendations to the Secretary of State, and Secretary Rusk decided not to put the issue to the President—perhaps because he felt the consensus was too thin, perhaps because of something McNamara said or intimated. If the NSM/NSDM process that brought the issue to President Nixon in 1969 had been operating in 1967, Lyndon Johnson would have confronted the options and he might have made the decision for gradual reversion at that point, even though the consensus favoring reversion was quite thin and the issue of nuclear weapons still open.

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CHAPTER 7

The Nixon "Shocks" To Japan, 1971*

Based on a case by I.M. Destler

The "shocks" to Japan illustrate consequences of a particular process of decision-making. That process might be described, with some oversimplification, as a closed, two-man system. "Closed" because strategic and tactical decisions on a few issues the President cared most about were kept secret to an exceptional degree, even from most of the bureaucracy. "Two-man" because only the President and Henry Kissinger were fully involved. In earlier cases—for example, troop levels and offset or Okinawa—centralization meant, primarily, coordination, although increased Presidential flexibility was an important side-benefit. For the Nixon-Kissinger system of 1971, centralization meant privatization, and flexibility was the main goal. The system carried advantages, and these will be discussed later, but the three shocks administered to Japan make vivid its costs.

I. OVERVIEW

Were the "shocks" designed, as some have charged and some official statements suggested, to prod Japan to more autonomous policies in keeping with a vision of a five-nation balance of power? Superficially they were consistent with that interpretation. But the evidence strongly suggests an interpretation opposite to calculated intent: the shocks had their origins in concerns outside of U.S. relations with Japan, and no serious effort was made by the decision-makers to take account of the impact of any one policy on Japanese domestic politics, let alone all three combined. While in 1969 the Administration had concluded a decade of movement by agreeing to Okinawa reversion and thus accommodating the needs of Japanese domestic politics, two years later Washington coldly disregarded those politics. The major reason seems clear: aside from the President and his Assistant for National Security Affairs, no one whose job it was to raise such political concerns in the making of United States foreign policy took part in any of the three decisions.

The immediate effects of the shocks—like the impacts of Nassau in 1962 or Erhard's visit to Washington in 1966—have died down, and U.S.-Japan relations are not now dominated by a single over-arching problem. Currency parities have been altered, and the bilateral trade imbalance has been corrected. Japanese textile imports to the U.S. have decreased, for reasons mostly extraneous to the textile quota agreement. Yet the shocks carried large costs, eroding long-established habits of cooperation and leaving a legacy of diminished trust of the United States in the Japanese government. Prospects for cooperation—on issues as crucial as energy and international money—undeniably have diminished.

A. Textiles

In its early stages, the textile dispute lay outside the National Security Council system. Henry Kissinger, by all accounts, was not much interested in foreign economic policy and only secondarily interested in Japan. But the Administration had no other strong foreign policy figures, and so there was no one to intervene in the textile dispute on the grounds either of bilateral political relations or of general Administration opposition to quota legislation. No one who knew the President or carried his flag could suggest a compromise which might have taken the pressure off negotiations with Japan but at the same time provided enough assistance to the American tex-

*This summary and analysis draws principally on I. M. Destler's case prepared for the Commission. It also has benefited from Graham Allison's "American Foreign Policy and Japan," in Henry Rosovsky, ed., *Discord in the Pacific* (Washington, D.C.: Columbia Books, 1972).

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tile industry to meet the President's political objective.

When Kissinger did become engaged in the issue, the nature of the closed policy-making process encouraged handling the textile issue in a manner to which the issue may well have been ill-suited. It encouraged striking a bargain at the summit, which apparently was done in 1969, linking Okinawa reversion to textile quotas. Sato failed to keep his promise mainly because he could not control Japanese politics on the issue. His power position was not that of an American president, and he depended on cooperation from the domestic textile industry in keeping his pledge.

When Sato did not keep his promise, Nixon and Kissinger seem to have done what their counterparts in Skybolt did: they projected images from the processes in which they were engaged on their Japanese counterparts. They took Sato's failure personally. The closed nature of policy-making made it difficult for any official to make a case for adjusting American action to Japanese politics; the bitterness felt by the officials who sat atop that structure meant that such arguments, when made, fell on deaf ears.

B. The China Initiative

Some have argued that the "China" shock derived directly from the President's anger over the textile issue. In fact, it seems more likely that on a matter about which so few men anywhere received advance notice, Sato would not have been informed much earlier even without the textile problem. For in many respects, the China initiative was the most striking success of the two-man policy process, and the one which best exploited its strengths. There was a strong foreign counterpart with whom secret, binding discussions could be undertaken. There was no ongoing bilateral relationship, hence no regular intercourse between officials at various levels who might send signals at variance with what the men at the top wanted to communicate. And, whether or not secrecy was important in making the deal with the Chinese, the President could exploit the drama of the initiative not only to advantage in the 1972 elections but also as a means of pre-empting in a single blow whatever political opposition there might have been to a change in China policy (though by 1971 opposition was small).

But though the July 15th move produced dramatic benefits in domestic politics, it did quite the opposite in U.S. dealings with Japan. The impact of the China shock on Japan depended on four key factors: [1]

First, the China issue had enormous visibility inside Japan. After the return of Okinawa, no issue of foreign affairs was of comparable import in Japanese domestic politics. Polls showed 70% of the population favoring normalization of relations with Peking. All the opposition political parties, the major newspapers, and important elements within the ruling Liberal Democratic Party (Japan's conservative corporate-based coalition) had been pushing for a significant overture to Peking. Opponents accused the government of inaction on this issue out of undue deference to the United States. In fact, the Sato government's reluctance to act stemmed in large part from ties between members of its coalition and Taiwan. But the U.S. position provided a convenient shield behind which the Japanese government could hide. The Sato government had found it politically expedient to explain the issue to the public as one where, in effect, the U.S. dictated Japanese policy.

Second, the triangle of relations between China, the U.S., and Japan had a history in Japan—a history engraved in the memories of all Japanese interested in foreign affairs. From the early 1950's when the U.S. forced Japan to deal with Nationalist China rather than Communist China, to the U.S. encouragement of extensive economic aid and trade between Japan and Taiwan, to more recent negotiations about American use of Okinawa bases for defense of Taiwan—the U.S. had forced the Japanese into bed with the Chinese Nationalists. It was the history that gave rise to the "Japanese nightmare:" namely, as a previous Japanese ambassador to the U.S. often put it, waking up one morning to find that the U.S. had recognized Peking, leaving Japan in the lurch.

Third, the President's announcement was made in the midst of what had been advertised as a new form of consultation between the U.S. and Japan on the issue of China, particularly with reference to United Nations representation. These negotiations had been in progress for several months. They were described by the Japanese press as "intimate discussions." Officials of the Japanese Ministry of Foreign Affairs characterized these discussions as the first example of genuine consultation between the two governments in an effort to develop a common position. No step could have more effectively undercut these officials personally, and their position within Japanese government, than the discovery that during their intimate, frank discussions, Henry Kissinger had been in Peking arranging a Presidential trip.

[1] The analysis in this and the following four paragraphs closely follows Allison's "American Foreign Policy and Japan," pp. 13–15.

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Fourth, the President's announcement struck Prime Minister Sato personally. Nine months previously, Sato had visited Nixon in Washington. At the end of that visit, the agreed statement asserted: "Both leaders . . . recognized the necessity for the two countries to coordinate fully their policy concerning China and agreed that they would maintain close communication and consultation about future developments on this issue." In Japan, Sato was standing firmly by his pledge, against pressure from domestic politics, from the opposition within his party, and from sources within the bureaucracy. Indeed, his vigorous pro-American stance had become a serious drain on his personal influence. Yet, as he went about the final rites of a Prime Minister, arranging the factional politics of the LDP so as to assure his designation of his successor, he stood firmly on the bedrock of close ties between himself and Nixon. Two issues could undermine him: China, and his personal relationship with the President of the United States.

In the light of these four factors, the impact of Nixon's China announcement within Japan seems hardly surprising. Indeed, it would seem rather predictable. But it was not predicted by the Nixon Administration. The evidence on this point is overwhelming.

And the basic reason was, of course, the "closed politics" of the decision. No one of the State Department officials who gave priority to the U.S.-Japan alliance even knew what was going on. So they could hardly urge more considerate treatment of Japan or warn of the effects on Japanese politics and the Japanese-American alliance of what would be perceived in Tokyo as a devastating rebuff. Indeed, no one in the U.S. government who was involved in the China decision could even identify the so-called Yoshida letter. This was similar to the weakness in the Nixon policy-making system which had exacerbated the textile dispute—the fact that Kissinger was the only "Presidential" foreign policy official, and thus no one of remotely comparable strength could speak effectively for foreign concerns outside of his—and the President's—current range of primary interests.

C. The New Economic Policy

The August 15th economic decision paralleled the textile deliberations. Internationally, its main features were the suspension of convertibility of the dollar into gold, and the implication of a 10% surcharge on imports. Japan was a conscious target of the action—the major target internationally. Again, no one asked what effect the action would have on the larger U.S.-Japan relationship, especially since it came on the heels of the China announcement. Its chief proponents, Connally and Peterson, worried exclusively about American economic problems, both domestic and international. From that perspective, Japan was a chief antagonist. Kissinger was not much involved, but his non-involvement and the absence of anyone else who would carry the brief for considering the political effects of U.S. action not only on Japan but on European allies as well underline the core weakness of the closed system.

II. ALTERNATIVE ORGANIZATIONAL ARRANGEMENTS: THE "CLOSED" SYSTEM

"Systems" of Presidential foreign policy-making combine the formal and the informal, the institutional and the personal. Historically, the systems have been in part the product of explicit decisions by Presidents and other high officials: what officials or kinds of officials they wished to have in high positions; what issues or types of issues they wished to give their personal attention; and what procedures they preferred for reviewing and resolving issues, and for executing decisions. Yet systems also have evolved in ways no one intended or foresaw, in response to the relationships that developed among the President and his senior advisors, and the types of foreign policy problems which they were forced to confront, whether or not they were "chosen."

The "closed" system in the Nixon Administration reflected the President's preference for dealing with and through a single individual, and was reinforced by Kissinger's apparent inability or disinclination (in 1970–71) to delegate significant authority to anyone else. The system was not without significant advantages. It offered the President maximum control and flexibility, at least on those issues the two men had the will and time to dominate. It made for good summitry, so long as foreign counterparts had equal control over *their* systems (which Sato did not). It provided secrecy, often a tactical advantage in international diplomacy. Secrecy implied flexibility, since (by definition) matters dealt with secretly need not be checked out with many competing interests and since those in or out of government who are unaware of what is happening can hardly exert much influence on outcomes. And the successes of the system were those of two men only. This use of foreign policy as "theater" not only carried electoral advantage but served to enhance and broaden support for the foreign policy, especially in the China case.

For all of those reasons, but perhaps especially for the last, the closed model is likely to be attractive to future Presidents, whatever their initial dis-

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positions. The advantages of the system, and the successes which resulted from its use in the Nixon Administration, are obvious, though easily overstated. The "shocks" administered to Japan give graphic evidence of its shortcomings, but many other failures may be less obvious. Second-order issues may simply drop from sight. Decisions on many issues, major and minor, may be delayed until a single man can master them personally. And important side-effects of actions may go unnoticed, the considerations on which they bear having fallen between the system's cracks.

The "shocks" raise a general issue at the heart of most of the alliance management cases: how ought the Executive Branch to coordinate its deliberations and actions? Are several systems incompatible? Can formal and less formal mechanisms work side by side, or does one's operation atrophy the other? Might several key issues be handled by informal working groups and a formal, NSC-type structure used to handle others, especially those of secondary importance to the President?

These three episodes pose a specific operational question, another issue which runs through the cases in this summary: how should the White House staff be organized? A single official with deputies, all subordinates and without personal access to the President, or several co-equals, one first among them, dividing up the foreign policy-making universe (how durable the divisions?), each with independent access to the President and of clearly "Presidential rank?"

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CHAPTER 8

The Office Of Undersecretary Of State For Security Assistance*

Based on a case by Henry B. Miller and Robert W. Miller

In this case, the *issue* was organization. It makes clear that organizational changes can never be merely, and seldom primarily, low-cost alterations aimed at increasing the "efficiency" of government. Rather they are political. Some officials or agencies, and the policy preferences they represent, are advantaged, while others are hindered or excluded from deliberations. The case contains a second lesson, one which the Taiwan example drives home: policy may follow, rather than precede, implementation. The realization of that fact motivated the proposals for a coordinator of security assistance; the failure to understand fully the implications of it is near the heart of the position's present ineffectiveness.

I. OVERVIEW

Congressmen and Executive Branch officials both found, to their dismay, that controlling the provision of United States security assistance was like squeezing a balloon: when one area was constricted, another equally large one popped up elsewhere. Assistance is granted in at least fifteen different forms, based on authority granted in a number of different pieces of Congressional legislation. For example, when Congress sought to decrease foreign security assistance by trimming the Military Assistance Program (MAP), Defense countered by increasing the amount of "excess" U.S. weapons transferred to other countries. When Congress pressed on that bulge by setting a maximum dollar value for transferred excess stock, Defense reduced the valuation of particular categories of excess equipment.

The creation of the position of Undersecretary for Security Assistance was a typical organizational response to a perceived coordination problem. A new office was created, set at a fairly high level, and given the responsibility for "coordinating" security assistance. But little else changed. Authority did not accompany responsibility. The creation of the new post may have been a "success,"—it was, after all, created—but it was a partial one, perhaps a wrong-headed one.

The two agencies most likely to be affected by the new position—the Defense Department and the Agency for International Development—were both hostile to its creation. Both countered pressures for a new post with internal reorganization of their own, measures which, at least in the case of A.I.D., were deemed effective by many Executive Branch officials. In the end, A.I.D.'s objections were overridden, while those of Defense seem not to have received much attention, perhaps because the proposal was routed through Congressional Foreign Affairs committees and not through the Armed Services committees who might have raised objections on Defense's behalf.

Besides facing hostility from the two main operating agencies, the new position, while created by Congressional legislation, received only lukewarm support from the Senate Foreign Relations Committee. At the White House, both OMB and the NSC staff pressed for the new position, but there is no evidence that senior Administration officials worked to make the new office succeed once it was created. Quite the contrary. Within the State De-

*This case could not have been written without the benefit of interviews of Washington officials familiar with the case. Those interviewed are identified by position in a list at the end of the full case. The case analysts express their appreciation to all those people. In preparing this case, the case analysts had access to classified government documents, under Commission rules. The classified record has added precision to the description of this case, particularly deliberations within the Executive Branch, but has not altered the general outline of the case obtainable from interviews and public sources.

partment, the new office was divorced from, and perhaps resented by, the operating agencies which it was supposed to coordinate.

The sum hardly amounted to the conditions for success. An organizational anomaly in the State Department, the new office met indifference in the White House and lukewarm support on Capitol Hill. It was supposed to "coordinate"—whatever that meant—the activities of agencies it did not control, and to do so with little staff. Little wonder that at best the Undersecretary served a review function, isolated from the decisions of operating agents at the same time he was overwhelmed with other, and unrelated, work.

II. ANALYSIS: IMPACT OF ORGANIZATIONAL ARRANGEMENTS ON U.S. DECISIONS AND ACTIONS

This section will take as the "decision" the enactment of legislation establishing the Office of the Undersecretary. It then examines the effect of the new position under the rubric of "implementation."

A. How Did Organizational Arrangements Affect the Alternatives Considered?

Each of the institutions involved in deliberations leading up to the creation of the new position had quite fixed perspectives on the issue. Defense and A.I.D., the operating agents, feared intrusions in their domain. State was of mixed mind but generally favored the idea. The budgetary watchdog, OMB, supported the proposal warmly, hardly a surprise, and was aided by the NSC. The Senate Foreign Relations Committee wanted "coordination" if that meant more Congressional oversight of the process, but did not want to add prestige to security assistance. The House Foreign Affairs Committee also favored coordination and control in principle, provided it did not lose any of its legislative business.

The constellation of departmental interests seems to have affected the consideration of alternatives. The Peterson task force report and the NSC studies which followed it apparently considered a range of alternatives; the five options in the final NSC paper ranged from strong State Department control to complete Defense Department hegemony. But that range quickly narrowed, and the eventual proposal was one which looked fine but actually posed little threat to any agency. It was a kind of least common denominator—coordination in name but little change in agency business-as-usual.

Organizational factors also bore on choices among specifics attached to various alternatives. For example, the interest of State Department careerists in having another high-level job open to them led them to lobby for setting the new post at the deputy undersecretary level. Only the pleadings of OMB induced the Deputy Secretary of State to overrule his department's recommendation.

B. How Did Organizational Arrangements Affect Information-Gathering and Assessment?

Events suggest that the analysis which supported the proposal took insufficient account of implementation problems. Flaws in assessment may have stemmed, in large measure, from deficiencies in the information on which they were based, for officials remained at the mercy of information produced by the operating agencies which opposed change.

C. How Did Organizational Arrangements Affect Implementation?

Organizational factors undermined the new Undersecretary and did so rapidly. Most of those factors have been mentioned. The Undersecretary was outside the State Department chain of command, attempting to supervise programs of other Department units and other agencies over which he held no license to review and recommend. He was dependent on information produced by operating agencies, except for what (little) work he could get done by his small staff. Within the State Department, he was, officially, the fifth man in the pecking order. But, in fact, he was vulnerable to the "regional" bias of the department. In a show-down with a regional Assistant Secretary, he could say only that a given program would cost money; he was hard-pressed to make a convincing counterargument to claims of its "political" importance.

Despite his inherent organizational liabilities, the new Undersecretary might have had some impact had he received strong support from the White House. But he was also denied that. It quickly became clear that his judgment scarcely had to be reckoned with. For example, when Tarr attempted to become the principal Department representative for foreign aid on Capitol Hill, he was opposed by the Assistant Secretary for Congressional Relations, who objected to Tarr's encroachment. The Assistant Secretary took his case to the White House and prevailed.

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D. What Impact Did Congress and External Groups Have?

Congress was deeply involved in deliberations over the new post from beginning to end. But Congress, while enacting the requisite legislation, was of several minds. It did not have a clear idea what "coordination" was or might be. The proposal was initially opposed by the Senate and only rescued in conference because the House conferees insisted on it. The Undersecretary was given coordinating responsibility but was not given statutory authority over the programs he was to coordinate. Congress rejected the Peterson report recommendation that development aid and security assistance be authorized in two separate bills. Some Congressmen felt that separation would make passage of one half or the other doubtful because those who liked one part but not the other would no longer be faced with an all-or-nothing choice. The House Foreign Affairs Committee opposed separation, as has been mentioned, because it feared losing the security assistance portion to the Armed Services Committee.

E. What Impact Did Personnel Systems Have?

Two effects of personnel systems are evident in the security assistance case, one general and one specific. Specifically, professional diplomats in the State Department wanted the new post to be at the deputy undersecretary level for good careerist reasons: a new career position would have been welcome in a service with many Indians and room for few chiefs. More generally, the security assistance case illustrates the general lesson that career officials develop stakes in the agency for which they work and the programs it administers. Efforts to eliminate or reduce those programs threaten both jobs and professional stakes; those efforts will be opposed.

III. EVALUATION OF U.S. GOVERNMENT PERFORMANCE

A. *A Reasoned Conception of U.S. Objectives Was Present:* fair.

At the most general level, the objectives were reasonable—integrating security assistance with general American foreign policy and in the process strengthening the control of the State Department over the provision of assistance. However, there was considerable confusion over exactly what should be done at the level of instrumental objectives. Should the office manage programs, or administer them, or merely review them?

B. *The Best Obtainable Information Relative to the Decision Was Made Available:* fair.

Deliberations within the Executive Branch were, in appearance at least, careful and exhaustive. It is unclear to what extent the information provided was limited or biased by the parochial interests of the operating—and information gathering—agencies. Congressional action was based on less careful study. There was a large volume of information to evaluate, but due to time pressures, the relevant committees held only perfunctory hearings.

C. *The Implications Flowing from the Information Were Effectively Canvassed:* poor.

Implementation of the new position was considered only briefly. The whole range of predictable factors which later frustrated the proposal's intent were overlooked.

D. *A Full Range of Alternatives Was Considered:* fair.

The NSC options paper contained five options, from full Defense control to a high degree of State Department control. It is uncertain, however, whether or not that paper ever went before the President (though it certainly was presented to his National Security Advisor), and the choice seemed quickly to narrow to the status quo or the new Undersecretary. The decision emerged from bargaining between State and Defense, and was then approved by the President. Congress considered only the single Presidential proposal.

E. *A Full Range of Relevant Considerations Was Applied:* poor.

Bureaucratic and political factors bearing on implementation were overlooked.

F. *All Appropriate Participants Were Consulted:* good.

Most officials and agencies with an interest in the issue had access to deliberations over it, with one exception: Defense seems not to have been involved deeply in deliberations. Since Defense was one of two operating agencies, that omission encouraged later retribution against the Undersecretary.

G. *The Decision Was Taken at the Lowest Level Possible:* good.

In form, the President chose and Congress ratified the choice. In detail, however, it seems clear that the President was little involved in the decision and probably cared little about it.

H. *The Decision Was Clearly Communicated to Those Responsible:* fair.

The legislation's wording was vague, and the State Department did little to make lines of authority clear to all concerned.

I. *The Actions of the Responsible Officials Were Monitored:* poor.

No one at the White House or on the Seventh Floor of the State Department worked to make sure the new position succeeded.

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J. *The Results of the Decision Were Noted and Assessed:* poor.

The demise of the post has not been obvious to the public or to Congress. It has been allowed merely to wither away.

K. *The Resources Committed to the Action Were Commensurate with the Task:* poor.

The cost of success—in money for staff and, more important, in the political capital of senior officials—was much higher than participants apparently were willing to pay.

L. *The Decision Was as Public as Was Consistent with its Nature:* excellent.

The process was fairly open; the necessity of Congressional action insured that would be the case. While the Executive Branch review process was not public, the Peterson report which initiated it was.

M. *The Decision Was Broadly Consistent with the Public's Sense of U.S. Interests:* fair.

Most Americans probably would have applauded the attempt to integrate security assistance with general U.S. foreign policy and would regret the failure.

IV. GENERAL CONCLUSIONS

The security assistance case is a "how-not-to" example of organizing to achieve specific goals. It affords another look at the performance of the National Security Council system, though in a quite different context from offset or Okinawa reversion. It raises a number of the issues which run through other cases as well.

- *Coordination.* The central problem of the case was coordination, but with a different flavor than in other cases. The task was not organizing the government to deal with a specific issue at a specific time, as in offset or Okinawa. Rather, coordination was an effort to redistribute power and influence within the Executive Branch, to increase the State Department role in the process, and with it the attention paid to general foreign policy goals in the provision of security assistance. Participants equated superficial coordination with effective change of performance. Not knowing what they were about (and, perhaps, for the top officials, not really wanting what they in effect were seeking) foredoomed the attempt.
- *Improving the capacity of the State Department.* The case demonstrates a specific aspect of the redistribution problem: it is difficult to structure the State Department to play the role of advocate for general foreign policy considerations on issues which are superficially "military." Establishing the Department as the titular centerpiece of foreign policy-making by constructing coordinating mechanisms around it simply will not do. The Department often lacks the technical competence to intervene seriously in certain issues; its encroachment may be resisted by the military and its Congressional allies while everyone pays lip service to the centrality of the State Department.
- *The role of Congress.* The security assistance case illustrates the difficulty Congress has in supervising, sometimes even in knowing about, day-to-day "foreign policy" operations of the Executive Branch. While Congress debated whether or not to provide Taiwan with F-4's, the Department of Defense gave them F-100's and F-104's. The proposal for an Executive Branch coordinator of security assistance was, for Congress, always a second-best solution. If Congress could not control directly, at least it could create a focal point in the Executive Branch which it could supervise. Yet, even then, the coordinator never was granted statutory authority, for reasons that had partly to do with jealousies among committees.

As created, and as it in fact operates, the position of Undersecretary for Security Assistance has fulfilled neither Congressional hopes for a single, accountable official, nor the need of the Executive Branch for systematic coordination of military and foreign policy considerations in the granting of security assistance. The rationale for retaining the position is unclear, and its abolition should be considered.

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CHAPTER 9

Conclusions And Recommendations

The foregoing cases cover a broad array of American dealings with allied governments. All pertain to defense issues, broadly construed. Most, though not all, involve major allies, ranging from long-time friends, to enemies become friends, to enemies become friends yet still strangers.

Recurrent in the cases are a number of concerns crucial to improving the structure of United States foreign policy-making. Most obvious is the one labelled, in shorthand, "coordination"—the identification and management of situations in which continued treatment of an issue by separate departments in accord with parochial considerations would yield unhappy results or forfeit major opportunities. Whatever their intent, actions taken with respect to one issue bear consequences, often unintended, for other issues in the relationship and for relations with other allies. Decentralization is a fact of life in the United States government and will remain so, in view of the multitide of issues with which the government must deal. The issue is noticing and correcting inappropriate decentralization. The remedies must be found in techniques for centralized management. But which techniques?

The problem of coordination applies to many issues but it applies with special force to issues within alliances. Allied relations are of many kinds and proceed at many levels of government (and outside it). As American departments carry on their business with counterpart bureaucracies abroad, numerous signals are sent and received through a variety of informal as well as formal channels. These facts underlie a second major concern: foreign assessment. The multiplicity of signals between allies makes it difficult to sort out what is actually understood "over there" and what "their" response is likely to be. Worse, officials, especially in friendly countries, may think the assessment problem trivial. Friendship may be mistaken for understanding.

The cases have raised many other concerns. Here they are summed up and made explicit. On some of these matters, the recommendations can be quite specific; on others, and some of them important, the cases seem to speak less clearly.

First, three central concerns which appear again and again in the cases: coordination, foreign assessment and the problem of strengthening the State Department.

I. IDENTIFYING AND MANAGING SITUATIONS IN WHICH DE-CENTRALIZATION IS LIKELY TO CAUSE SERIOUS TROUBLE OR TO FORFEIT MAJOR OPPORTUNITIES

These tasks are hard to deal with directly because they involve so many policy-making functions and must confront a spectrum of issues. To a few, the President will give constant personal attention: he will act as "desk officer." For those, structure matters less than relations among the President and his principal advisors. Others may require periodic, but not continual, Presidential attention, while some may be treated with a single Presidential decision. Still others may never receive Presidential attention, perhaps not merit it, or reach the President only briefly and with difficulty.

Begin, then, with the sort of issue which would most often receive Presidential attention. Assume that the issue had been identified as one whose continued de-centralized handling is likely to create trouble. (This also leaves aside, for the moment, shades of difference in issues, for it concentrates on the negative, avoiding crises, not the positive, utilizing opportunities.) How should the issue be managed?

A. Managing to Avert Crises

Three kinds of coordinating mechanisms for handling specific issues have appeared in the cases in this summary. A fourth and fifth, not present in the cases, stand out in the recent history of American foreign policy-making. One was used often during the Nixon Administration, as in the formulation of

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negotiating positions during SALT; and the other was common practice in the Johnson Administration in treating Vietnam. The five mechanisms will be compared. This section offers no dogma. It is impossible to commend one form to all Presidents at all times, for much depends on the operating styles and preferences of the President and his senior advisors, and on the issues which they choose or are compelled to address. But it is important to stress that the choice matters: *different structures carry different advantages and imply different risks.*

First, the three structures from the cases:

1. INFORMAL WORKING GROUPS

Informal groups of sub-Cabinet officials are formed, most often at the behest of the responsible White House staff officer, to review issues (or clusters of issues) and make recommendations to the principals. The White House officer (one of several coequals) orchestrates the group *and* staffs the President, thus attending meetings of the principals. Example: the Rostow group in offset.

Group members are Undersecretaries or senior Assistant Secretaries—for example, McNaughton—officials of sufficient rank to speak for and carry their Secretaries, not merely represent their departments. Secrecy of deliberations encourages frank discussion, since participants need not play to departmental galleries. Group members are handpicked, most often by the White House, chosen because they know the issue up for decision and because they carry clout in their departments. No agency is given to feel it has a right to participate; meetings are not cluttered with bystanders. Groups die and re-form for different issues. Several can co-exist, with overlapping memberships. The chief advantages are: serious discussion of alternatives and flexibility for the President, since the White House staffer controls the timing and agenda of the group's activities and he alone has access to deliberations at all levels. The system may also facilitate implementation by building centers of power throughout the bureaucracy which are responsive to Presidential intent, and by extending the reach of the White House staff officer.

Several disadvantages are inherent in the secrecy and "clubbiness" of the groups' operations. The groups depend on secrecy; many people and departments will notice an issue, then see it disappear. Officials and departments excluded from the *ad hoc* process may resent it, risking their retribution during implementation or on subsequent issues. For example, the Joint Chiefs of Staff apparently felt that their opinions often were not heard at the top of government during the Johnson Administration. Since crucial discussions are closeted, it may be hard for Congress to supervise or even know about what happens.

Other disadvantages of the arrangement are its *ad hoc* character and in the demands it makes on the White House staffer. Groups may be convened only when external deadlines loom, since officials are busy and distracted; by then opportunities may have been lost or errors made in a last-minute rush (this may be why, for example, the August 1966 offset deliberations neglected the old agreement). And the structure makes severe demands on the White House staffer, suggesting that the number of groups which can be managed simultaneously, and thus the number of issues treated, may be quite small. Nor is increasing the number of staffers possible, since the mechanism depends on each having access to the President.

2. 1969 NATIONAL SECURITY COUNCIL (NSC) SYSTEM

Several layers of fixed committees study issues and frame alternatives. Issues enter the system with the issuance of a NSSM (National Security Study Memorandum), calling for a study of the issue. The study is then done by one of a number of regional fixed interagency committees at the Assistant Secretary level (or done by a special group and approved by the committee), passed to a Review Group chaired by the President's National Security Assistant, eventually discussed by the National Security Council and options presented to the President for decision.

The 1969 NSC structure bore superficial resemblance to the SIG/IRG system of the Johnson Administration. IRG's became the IG's (Interdepartmental Groups) and SIG the Undersecretaries Committee, which in the NSC had responsibility for dealing with sub-Presidential issues and often—as in offset during 1969—for overseeing implementation. The SIG/IRG structure was, however, State Department centered, a defect mentioned before and one to which President Nixon was sensitive. Moreover, State was required to become the advocate of a particular *recommendation.* There was no way for it to push an issue to the President in a neutral form. Thus, although the system probably failed because none of the principals cared enough to make it succeed, SIG/IRG had internal flaws as well.

The advantage of the 1969 NSC is form: all agencies with stakes in an issue can feel that they have been heard at high levels, and decisions can be clearly communicated to the bureaucracy in the form of NSDM's. The system requires many alternatives to be formulated and permits them to be

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considered by the President before the various agency positions coalesce around a single option. Papers which contain only one serious option (the famous "option B") are, in theory, to be rejected by the Review Group. The system gives the President the flexibility to either reach out and pull an issue to him before the departments would serve it up or delay an issue they are pressing by feeding it into the NSSM structure. It may also ease the President's problem of choice: a decision between conflicting advice need not also be a direct choice between differing advisors, as was most often the case during the Johnson Administration. Finally, the orderliness of the formal process may facilitate Congressional oversight.

The effect of the system on the quality of analysis done is uncertain. On the one hand, departments have incentives to see their preferred alternatives stated fairly and buttressed adequately; on the other hand, the process will be large and "leaky," so department officials may be tied to simple "agency" positions because they must play to their departmental audiences. Options may get presented laundry list fashion, with no serious comparisons among them. Serious debate may recede to the fringes of the formal processes.

The other question mark in the formal system is implementation. Even when decisions are communicated clearly, monitoring subsequent actions may be difficult. The President and NSC staffers—and there is no inherent reason why there could not be, contrary to early Nixon Administration practice, several of Presidential rank—may be preoccupied with the *decision* process. At most, the Presidential deputies could follow only a few issues through the implementation stage. The Undersecretaries Committee sometimes may serve as monitor, as it did in 1969 when chaired by Elliot Richardson, who was close to Kissinger. But since its members are marginal to the decision process, the Committee may neither be able to act in the President's name nor be sensitive to his intent. The will of the President may be more attenuated still by the time assignments reach the operating bureaus of the implementing departments, most often the State Department.

3. CLOSED SYSTEM

Deliberations on several major issues kept secret even from the bureaucracy and held closely to the President and a single advisor or two. As the events of 1971 make clear, the system is attractive to Presidents on several counts. Indeed, Presidents are certain to limit decision-making on the one or several issues they regard as most important, whatever the prevailing foreign policy-making structure. Doing so preserves maximum flexibility and produces maximum drama. It may work well for some kinds of issues, such as critical summits with leaders from closed political systems.

But beware of using it too often, making it too closed, or using it for issues to which it is not suited. The "shocks" to Japan are dramatic testimony to the dangers. In the China case, the President's need for secrecy no doubt still could have been served had the circle of deliberations been widened to permit entry of more "foreign policy" advisors. Textiles and the economic "shock" demonstrate the mistake of letting major issues—with major foreign policy implications—escape the "foreign policy" structure simply because the few participants in that structure are uninterested or distracted and because there are too few to handle all of the issues and all the cross-effects among them. One person, or several, simply will not do. What is worse, continual use of the closed structure will discredit other mechanisms. The Nixon-Kissinger system apparently led to considerable atrophy of the original 1969 NSC system. Officials began to regard the latter as merely a scheme to distract the bureaucracy while the two men monopolized the serious business of Ameerican foreign policy.

4. SALT VERIFICATION PANEL:

Layered, Fixed Committees Dealing With Recurring Issues

During SALT, major decisions were debated in the Verification Panel, an undersecretary-level body chaired by the President's National Security Assistant, then passed to the President. The Panel in turn was staffed by another, lower-level interagency committee, this one chaired by a Kissinger deputy from the NSC staff.

This arrangement has much in common with the informal working groups. It may be more thorough and systematic than the groups, with more analysis done and fed to seniors and, perhaps, with less likelihood that the timing of deliberations will be determined exclusively by external events to the extent that members of the lower-level staff group have ready access to their seniors. It may, however, put more demands on the senior White House staffer, again with no inherent reason why staffer might not be made plural. The price the layered mechanism pays is rigidity: committees may become large, and they will be "leakier" than the groups. Debate may become stultified. Committees once created may be difficult to kill. Since no single White House official participates in all committees, the lower-level group may become separated from Presidential concerns, and implementation may slip.

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5. TUESDAY LUNCH:

Regular Consultation Among President and Senior Foreign Policy Advisors

Regular meetings of the President and his senior foreign policy advisors—the Secretaries of State and Defense, the Special Assistant for National Security Affairs, on occasion perhaps the Chairman of the Joint Chiefs and one or two others—to discuss a set of issues of continuing Presidential concern. The Tuesday lunches held during the Johnson Administration to discuss Vietnam are the model.

This arrangement is likely to emerge in some form whenever the President is persistently concerned about one or several foreign policy issues which cut across departmental lines, *provided* the relevant Cabinet officers are regarded by the President as serious foreign policy advisors. The Tuesday lunches had no counterparts during the Nixon Administration. Apparently, matters of the sort discussed at the Johnson lunches were handled most often in conversations between the President and Kissinger, and occasionally in bilateral discussions between the President and a Cabinet official. Tuesday lunches reappeared under the Ford Administration, in the guise of Thursday breakfasts.

The mechanism is a natural one for dealing with the several issues for which the President and his Cabinet officers act as "desk officers" or nearly so. In effect, the President and his senior advisors will become an informal working group at the highest level of government. The advantages of the arrangement are flexibility and ease of decision. The participants soon become sensitive to one another's problems and perspectives. And, when quick decision is required, it can be obtained, even while the perspectives of several departments and their principals are brought to bear. On the other hand, the President may be tempted to take too many decisions in an *ad hoc* fashion and to take them in haste. Cabinet officers will be reluctant to share with their staffs and subordinates the content of private discussions with the President. Subordinates may not know when, or even whether, an issue will come up for discussion. Consequently, the process may suffer from a lack of thorough and timely analysis.

The other defect of the arrangement, especially if used for too many issues, is form: whatever the fact, many segments of official Washington may feel that their views are not represented before the President. So it was with the Joint Chiefs of Staff during the Johnson Administration. Nor will it be clear to all concerned exactly what has been decided, with decisions taken and assignments conveyed orally over the luncheon table.

The definitions of the various structures are, and must of necessity remain, themselves imprecise. What has been labelled, for instance, an informal working group may be more the description of a collegial *style* of operation than of a system. It is not clear that such groups could be created at will; the Rostow group in offset relied on pre-existing personal relationships among the men who became members. Moreover, while essential parts of the definition of informal group used in this chapter are White House control and responsiveness to Presidential desire, the collegial style of operation surely might characterize other groups with other purposes. "Working groups"—inevitably called "cabals" by those who dislike their purposes—of officials opposed to American policy in Vietnam apparently existed at several levels of government during the Johnson Administration. The collegial style may be neither easy to call forth when it does not already exist nor simple to destroy when it does.

Distinctions between the structures obviously are not absolute. For example, the Deming group which handled international monetary affairs in the Johnson Administration—and which was considered an informal working group by participants—was not very different from the Verification Panel, a fixed committee by the definition of this chapter. Both possessed the bureaucratic legitimacy conferred by explicit Presidential charter, and both had relatively fixed memberships; both dealt with a cluster of issues which evolved over time.

Are the structures mutually incompatible? There is no rigorous answer; at most one can sketch some of the limits. Aside from the issue of compatibility, there is the problem of allocating official time. More coordination is no doubt preferable to less, and if officials' time, including that of the President and his Cabinet officers, were free, many structures might be operated side-by-side. But official time is scarce; spending it in one mechanism forfeits the opportunity to use it in another structure or on another issue.

Bringing too many issues into a closed, White House-centered mechanism—like that in effect in 1971—surely will cause other structures to decay. By accounts, it did so in 1971. Similarly, the use of informal working groups in 1966 and 1967 may have played a part in undercutting the SIG/IRG machinery. Not that action must emerge every time a formal study mechanism, like SIG/IRG or NSC 1969, is handed an issue. But if the structure is to remain vital, *some* action has to issue forth *some* of the time. At a minimum, it must be clear that the system can make a difference in policy with respect to certain kinds of issues. Once an administration settles in, for instance, it may be plain to all concerned that an issue as central as force levels in Europe and matters releated to it, like offset, will be

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handled in arenas more restricted than formal study systems. At the same time, however, it should be possible to signal that, say, a Latin American issue may pass through the system to receive brief consideration at the highest levels of government.

In general, maintaining a mix of informal working groups, fixed committees and formal study procedures will be a trick proposition, for the mechanisms make different demands on the White House official. The difficulty is embedded in the conflict of organizational roles. The informal working group requires an extension of the White House official's role as staff assistant to the President. It demands that he maintain maximum flexibility for the President; and that is likely to mean doing the same for himself. Yet the other two structures call upon the White House official, in varying degrees, to be the maintainer of institutions. That means delegating authority to subordinates, giving them clear guidelines and supporting them in their bureaucratic battles. It means acting like a department head. In addition, there is the simple problem of time. If the White House official spends most of his time staffing the President on the hottest few issues, second-order issues are likely to go untended and the study procedures may decay.

Adding to the roster of White House officials with access to the President, and charging each with tending to one of the roles, may be a solution, but it is likely to be a partial and probably unstable one (even apart from the increased demands it would make on Presidential time). The officials would have to have quite fixed beats, which hazards "turf" problems, and more important, risks that issues will fall between cracks or be handled in contexts which are no longer appropriate.

Some prescriptions can be offered. *Formal study systems* may be most appropriate to the handling of second-order issues, a point to be mentioned below, but they *should also be useful in enabling an administration to take stock of the major issues it confronts when assuming office.* The NSSM/NSDM served the Nixon Administration well in treating *the* most important issue the Administration faced in its first months—Vietnam. The system should enable senior officials to become familiar with the issues they face and to calibrate one another, while at the same time preserving the administration's options and preventing eager subordinates from preempting decisions. Moreover, since senior officials require time to set their houses in order and gain familiarity with their organizations, it may be difficult or inappropriate to set up informal working groups in the early months of an administration.

Informal working groups and fixed committees both seem well-suited to managing interdepartmental issues which require a sequence of decisions, some made by the President and some made short of him but in accord with his guidelines. The role played by the Rostow group during the Trilaterals was performed equally well, it appears, by the Verification Panel during the SALT negotiations. The choice between the two mechanisms may be mostly a matter of preference, although informal groups may have a slight advantage, especially if there is a long and sensitive implementation process to be shepherded.

B. Early Warning

The foregoing discussion has been restricted to managing first-order issues once identified as potential problems. Yet getting issues so identified may be a harder problem still. As in Skybolt, early warning may depend in part on foreign assessment. Moreover, departments will resist having policy "buttons" taken from them, not merely for parochial reasons but also because they may believe that current policies are proper, as did Defense and Treasury in offset or the military in the Okinawa case.

More formal mechanisms have an edge over structures dominated by informal working groups in early warning. The latter depend mainly on the contacts and peripheral vision of the responsible White House staffer. Moreover, it is necessary to form a group or divert one from other business, making demands on the time of busy sub-Cabinet officers. Since the groups are quite senior, their formation poses a direct threat to the agency handling the issue. By contrast, initiating a study in an NSC-type system is relatively costless, so that many can be started, at the initial urgings of a variety of officials. A basis can be laid for a centralized look at an issue, whether or not the issue ever in fact gets to the President.

With either a formal or informal system, a fixed sub-Cabinet committee can play an important role in early warning. The group must be fairly senior—at about the undersecretary level—so that officials are both in a position to survey the terrain of their departments for potential landmines *and* non-parochial enough to clutch "buttons" which their departments ought no longer to play solo.

C. Handling Second-Order Issues

Two types of issues may be called "second-order" ones, but it is important to notice the difference between them. Some are truly of secondary importance and should seldom occupy Presidential attentions. Yet it may be possible to reach more sensible policies on some of these if, from time to

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time, one can be structured for one-shot Presidential decision. Other issues, like Okinawa, may be "second-order" only because there is no "crisis" surrounding them, no immediate deadline attached to them.

Formal systems may handle both to advantage. For truly second rank issues, the costs of informal working group management—in the diversion of senior officials from more important business—actually may overshadow the benefits to be derived. For more important issues on which delay forfeits opportunities, costs may *apparently* outweight benefits, and so diminish to the vanishing point the probability that such issues will be handled by a working group. The 1969 NSC system dealt well with both kinds of issues. Policy toward Peru, not normally the subject of attention anywhere above the sixth floor of the State Department, was fed into the NSC apparatus in 1969, leading to the decision not to apply the Hickenlooper Amendment but to seek other means of inducing the Peruvian government to accommodate American economic demands.[1] And the Okinawa issue reached the President at an early stage, with a series of reasoned alternatives, and with time to implement an option which involved a substantial departure from previous American policy.

D. Recommendations

The choice of coordinating mechanisms matters. Much depends on the styles and preferences of the President and the people he chooses as his senior advisors but not everything. Different structures carry different benefits and imply different risks. Moreover, some mechanisms come near to dominating others for some functions, *whatever the President's preferences.* Specifically:

1. The *"closed" system* should not be used often, or for many issues. Nor should it, when used, be as closed as was the Nixon-Kissinger system on occasion.

2. *Formal structures,* like the 1969 NSC system, are particularly useful in taking stock of a variety of issues at the beginning of an administration and in handling second-order issues throughout the administration. Presidents would be well-advised to sustain a formal system for these purposes even if they do not at first find formal mechanisms congenial. There would be ample compensation for the initial inconvenience.

3. A *fixed committee,* at the sub-Cabinet level, should be established to provide early warning of issues which require coordinated management, whatever other structures are erected to handle issues so identified.

II. FOREIGN ASSESSMENT

A second task in the management of alliances is improving procedures for collecting and assessing information about foreign governments. It is a matter of concern to the entire government. In the 1966 offset case, as in the Skybolt affair, deliberations of foreign capitals mystified White House and Defense Department officials no less than their State Department colleagues. But it is of pressing interest to the Department of State. Lacking a strong domestic constituency and powerful Congressional allies, the Department's source of strength ought to be its control of a substantial network for producing and assessing information on foreign events. However, the Department is often weak precisely at making the case on *its* grounds: foreign politics and policy. Its arguments about the likely effects of U.S. action on foreign politics are dismissed as unprovable—as they were by McNamara in 1966—or merely as signs that U.S. diplomats once again have "gone native." Better reporting and analysis would leave senior Department officials less vulnerable to the arguments of their colleagues from elsewhere around official Washington.

The following comments are addressed to foreign assessment conducted by the State Department; many of the remarks may also apply to the Central Intelligence Agency and other intelligence agencies, although there are additional and vexing questions attached to the collection of intelligence abroad.

Current State Department political reporting is, in volume, overwhelming, but in assessment of foreign politics, mostly unhelpful. Of course, the quality of reports varies widely, but, on the whole, serious analysis is rare. And, as has been mentioned several times in preceding chapters, the ills may reside as much in the receivers as in the reporters. Foreign reporting seldom is driven by sharp questions from Washington.

For reporters in the field, better assessment requires that they analyze events and hazard predictions, rather than merely translate *Die Welt.* They must ask: who are the key foreign officials on a given issue? what will determine their stands? how will various positions interact to produce government policy? and how will alternative American actions affect the process of reaching a decision? That frame of reference should be explicit. To assess foreign actions in detail, reporters need deep

[1]U.S. policy toward Peru is the subject of another Commission case, "United States Foreign Policy-Making in the IPC Case," by Gregory F. Treverton.

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knowledge of the politics and institutions of the countries on which they report. They also need access to foreign politicians and bureaucrats from various departments at many different levels. Finally, they must have a clear sense of what the principals in Washington care about, what they need to know. That sense provides both focus and incentive to perform.

This prescription makes sharp demands on reporters, but not unthinkably severe ones. Several of the required attributes currently are possessed by numbers of people, both inside and outside the foreign service. Others could conceivably be conferred. There are many in the foreign service, and in academic life and elsewhere, who have both deep background in the politics of a foreign nation and contacts in its officialdom. A junior foreign service officer may not be able to secure access to high-level foreign officials, but his superiors almost certainly could if they so chose. Yet foreign service officers talk most often with their foreign office counterparts, while in all the cases discussed above foreign deliberations involved several ministries, the cabinet, parties and parliament, and invoked procedures—for setting budgets or procuring weapons—deeply embedded in custom and politics. That was obvious in Skybolt. And in the crucial stage of offset in 1966, the German Foreign Office was not a central participant. Arrangements can be constructed for tying reporters in the field to decisions faced in Washington, and the effect on performance may be dramatic. The Undersecretary's request in the offset case is one example. Others could be cited from Skybolt and other cases.

A. Short-Run Measures

In the near term, better reporting and assessment may require special measures additional to the normal reporting system. The following suggestions certainly do not exhaust the possibilities.

1. More use of special information channels on given issues

Like the Undersecretary-Deputy Chief of Mission route in the offset case, these special information channels would link reporting to on-going deliberations in Washington.

2. Use of special assessment assignments

Officials might spend a period in Washington working on an issue, and understanding the Washington politics of it, then go abroad for a time to analyze how it is handled by foreign governing processes.

3. More use of outside consultants

The system is in general isolated from outside criticism, partly because its reporting outputs are classified. But government has no monopoly on understanding foreign politics. The use of outside consultants, from academia or elsewhere, would both break down that isolation and produce analyses valuable in themselves. Outsiders could be given issue-specific assignments and the benefit of more time than harried government reporters typically can muster.

B. More Fundamental Measures

Moving beyond grafting on additional systems to conceiving of structural alterations may not be worth the effort. It is hard to imagine major changes in a service as strong and as traditional as the Foreign Service. Yet those changes clearly are required. Present incentives promote quantity of reporting, rather than quality. There is no incentive for officials, either in Washington or the field, to take risks of the sort entailed in making predictions and formulating strategies based on them. Quite the contrary. Witness the disinclination of State Department officers in Skybolt to hazard anything other than ritual opposition to giving Polaris to the British, or of the embassy officials in the offset case to venture far beyond hedged analyses of the German budgetary situation and the suggestion that Washington should send a letter to Erhard if it wanted to influence German deliberations. As long as they did no more, they remained on the relatively firm ground of *their* competences: foreign policy considerations in Skybolt, conventional reportage and legitimate diplomatic tactics in offset.

The following measures are first pieces of a strategy to improve foreign assessment. Several of them overlap quite directly with suggestions in the next section for strengthening the State Department. They are listed in rough ascending order of their difficulty to implement.

1. Training foreign service officers in techniques of reporting and assessment

At present there is virtually none; a college background in political science or international relations is presumed to suffice. Seminars in the kind of "mapping" called for here, perhaps in tandem with language training, would have at least marginal—and presumably quite immediate—benefit, at small cost.

2. Ordering that cables from embassies be signed by their authors, not always by the ambassador, and allowing at least the top few embassy officials to send cables on their own authority

This may not encourage, but it should at least permit, embassies to send (and Washington to request) several independent assessments on major

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issues. It would need to be coupled with policing mechanisms in Washington to ensure that headquarters does not merely receive similar messages under different authorships.

3. Lengthening the tours of duty of key officers in missions (e.g., DCM's), at desks, and at the regional Assistant Secretaryships, and timing them so as not to coincide with Presidential terms

This might have permitted the government to have avoided some of the errors of the Skybolt affair. Of course, the recommendation runs against other objectives. It might encourage "localitis" or enhance the regional bias of the Department, neither of which may be desirable. It should be possible, however, to lengthen tours for a few officials in key locations without doing so throughout the Department.

4. Increasing staff and analytic capabilities at the Department in Washington

Most of the recommendations have dealt with the field, but most of the problem may lie in Washington. Regional assistant secretaries have no staff to do other than keep up with the flood of paper. Intelligence and Research (INR) is mostly a resting place for FSO's between assignments. The policy planning staff, and its successors, are not, in general, well-positioned or suited to serve as the link to missions, and the secretary himself may not have the staff capability. Increased capability in all those places would be helpful. Perhaps nowhere more than on the Seventh Floor, for Department seniors need people to man whatever special information channels may be established and to serve as a source of counsel in dealing with the entreaties of the regional bureaus.

5. Permitting non-Foreign Service Officers to occupy senior embassy posts, especially in political sections

The presence of outsiders, not dependent on the foreign service career system, should loosen the reporting system and provide some incentive to formulate and send competing analyses.

III. STRENGTHENING THE STATE DEPARTMENT

This recommendation is conditional. It presumes that the President desires the State Department to play a strong role in the policy process, as an advocate of U.S. interests in bilateral relations with foreign countries and of general foreign policy considerations. The condition is not as trivial as it would seem from customary statements, by all concerned, that the State Department ought to be the central institution in American foreign policy-making. In fact, no recent President has desired the State Department to play the pre-eminent role, Ford perhaps excepted. The following suggestions for strengthening the Department are aimed at enhancing its advocacy role, not structuring it specifically to act as coordinator. They are beginnings, not last words. None would be easy to put into practice.

A. Increasing Economic Staff and Use of Consultants in Economic Matters

The present "economic" cone of the Department is comprised mainly of foreign service officers, generalists, who follow economic issues. The system may provide adequate general reporting on the economic situations of foreign countries, but it is seldom able to analyze the politics of foreign economic issues.

Nor does the Department possess sufficient high-level economic talent to intervene in technical issues of foreign economic policy—trade and international money. Competent people exist in the Department, but they are few. It does not appear that State suffered for their lack in 1966–67 during the offset deliberations, but that was partly a matter of good fortune. The Department's few economists had ample opportunity to address the issues during discussion of the Payment Union. The deficiency has, however, been painfully plain in other cases, policy-making preceding the shocks to Japan in 1971 perhaps one among them. It should be remedied.

B. Letting the Secretary Choose His Own Principal Advisors

To play a strong hand, the secretary should have his own men in key operating positions in the department—as Deputy Secretary, Undersecretaries, regional Assistant Secretaries, and some Ambassadors. In the recent past, the Department's senior officials have most often been chosen by the President for reasons of politics, acquaintance, or general stature in party or foreign affairs, quite apart from the preferences of the secretary. Were the Deputy Secretary chosen by his boss, he might become an all-purpose deputy and stand-in in an era when the Secretary spends much time away from Washington or in ceremonial duties. The Marshall-Lovett relationship serves as a model. Relationships with regional bureau chiefs and with key operating agents in the field would increase the Secretary's reach, both bringing the missions in touch with *his* problems and keeping him abreast of events abroad. The relationship between McNamara and McNaughton in the Defense Department is instructive: the latter's identification as

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the *Secretary's* man served everyone's purposes, including the President's. The end-runs by State Department staffers which plagued Skybolt were unthinkable in the Defense Department (at least for civilians).

C. Changing the Personnel System

Issues associated with the State Department personnel system are legion, and they run far beyond the purposes of this chapter. What is clear from offset, Skybolt and other cases is that the deliberations critical to American policy-making are those *in Washington,* while the Foreign Service personnel system lays preponderant emphasis on service *abroad.* Ambassadorships are the goal; they rank far above the desk officers who are their immediate links to Washington, and Assistant Secretaries readily move abroad to choice embassies. The Department is biased toward the missions, missions which ought to exist to serve Washington. Recent Presidents have come to mistrust the Department and regard it as unresponsive to their will. They have felt that their Secretaries of State were captured by the career service, or the Secretaries themselves have been suspicious of the Department's loyalty.

Stating the problem, however, is easier than conceiving remedies. Downgrading ambassadorships seems out of the question, while upgrading desk officers (a variant of which was tried with the creation of sub-regional offices) would produce many chiefs and few indians. Nor is it easy to devise arrangements which will diminish the mission bias of the Department without damaging the assessment of foreign governments, by disconnecting the missions from Washington's concerns.

Two possible approaches follow, the second more extreme than the first:

(1) Appointing non-careerists, officials, named by the Secretary and owing primary loyalty to him and to the President, as far down as deputy assistant secretary or even, for important countries, country director.

(2) Separating Washington positions from overseas posts, reserving the latter for the Foreign Service and filling the former with civil servants (in effect de-"Wriston-izing" the Department).

Both proposals seek to insure that the Department in Washington will be peopled by those whose loyalty to their Secretary (and to the President) is above question and who are experienced in the bureaucratic wars of the capitol; rather than by foreign service officers for whom service in Washington is a career backwater and who may be more accustomed to the niceties of diplomacy than to the coarser intrigues of official Washington. Both, however, are directly contrary to the thrust of most recent "reform" proposals. Those typically aim at improving the Foreign Service, perhaps making it more democratic (or at least more meritocratic), then at *extending* its domination of the State Department.

Next, three narrower matters about which the case studies contain clear suggestions:

IV. UNCOVERING AND MAKING AD HOC ADJUSTMENTS FOR UNFORTUNATE INTERLOCKS OF OPERATING STYLE

The operating styles of senior officials often mesh to unhappy effect, as demonstrated by the Skybolt affair and, to a lesser extent, the MLF and offset cases. Those interlocks must be noticed and, to the extent possible, adjusted. With respect to the President and his senior advisors, it would be difficult to institutionalize the adjustment process but the Assistant to the President for National Security Affairs might be given a watching brief. Occasional outside studies, like Neustadt's for President Kennedy, perhaps more objective than internal papers, should aid the process of periodic review.

More general operating problems also must be identified and treated. Several sets of relationships may be defective: those between staff and principal (Rusk and his staff in Skybolt), those between one staff and another principal (McNamara and Rusk's staff) and those between two staffs (State and Defense). Again, outside studies may assist the review, although there may be limits to how many a President can commission before departments complain of snooping. A White House staff officer assigned a watching brief may be useful.

V. LENGTHENING THE MEMORY OF THE EXECUTIVE BRANCH

A small point but one which mattered in Skybolt: one Administration may not know the details and implications of actions taken even by its immediate predecessor. It was necessary for a Defense Department official to go to Gettysburg to find the Camp David agreement in Eisenhower's personal files.

The Johnson Administration changed some practices relating to documents about dealings with foreign governments. Watergate has introduced further dimensions of this problem. The Commission

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might establish a special working group consisting of a half dozen high-level White House officials from the last several administrations to devise guidelines that would protect the government's interest in an institutional memory while not neglecting rightful concerns about the privacy of personal documents.

A separate but related measure for lengthening memory, one mentioned before for other purposes, would be to time the tenure of desk officers and other middle-level officials *not* to coincide with Presidential terms.

VI. IMPROVING OFFICIALS' UNDERSTANDING OF THE PROCESSES THEY MANAGE

The processes atop which Cabinet officers sit are complex; many activities and nuances of structure lie beyond the ken of officials. Rusk, by the evidence, did not know the full extent of the activities of his subordinates in pursuit of MLF. He suffered from the lack of that knowledge. Even a strong Secretary of Defense like McNamara had at best a loose rein on the security assistance process. An important part of reviewing operating procedures periodically would be educating officials about the processes they manage. Again, studies done by inside task forces and by groups outside the government can be useful in improving the understanding of those inside government. A study might have made Rusk, or someone else in his position, aware of the "cabal's" activities.

Finally, there are three large and important issues which run through the cases and, indeed, through most of American foreign policy-making. With respect to these, however, the cases contain little wisdom to codify. What follows is more an attempt to stake out the dimensions of the issues.

VII. VESTING AND WEIGHTING INTERESTS

The Okinawa and security assistance cases give graphic evidence that the distribution of interests among Executive departments may be unfortunate for given issues or kinds of issues. "Buttons" may fall within the fiefdom of a single department when they ought to be shared by two or be pressed only after a fully centralized decision process. Most of this chapter has assumed the existing distribution, and then focused on coordinating mechanisms to handle specific issues for which existing procedures clearly courted trouble. That may be the best that can be done. But any serious and thorough look at American foreign policy-making should not accept that assumption too easily. There may be foreseeable clusters of crucial issues for which current arrangements are unacceptable. For them, it may be worth considering constructing new systems, not just in the small—for individual issues—but in the large. For example, the current combination of severe foreign exchange drain (mainly due to imports of oil), inflation and recession may mean that Treasury, Agriculture and other "economic" departments will take more and more actions with serious foreign policy impacts, and perhaps take them autonomously. The risk is more "shocks" of the sort given Japan over textile or Japan and Europe over international money. Or worse. At a minimum, the competence of the State Department to intervene in economic issues may have to be upgraded dramatically. But more extreme organizational changes might be contemplated.

VIII. ROLE OF CONGRESS

Congress appeared in all the cases but never as a full partner in the process. Occasionally it was the forcer of action or the ultimate ratifier, but more often Congress was denied a meaningful part. It was reduced, as in offset, to the role of threatener. It is hard to imagine how Congress could be an initiator of action, particularly in alliance matters which turn on timing, precise calculations of response from the other side, and, sometimes, on confidentiality. The emphasis on procedure and the fact of partisan division makes it difficult for Congress to speak clearly with a single voice. On occasion, however, procedures which seem inefficient may produce unsuspected—and paradoxical—benefits. The consideration of related pieces of legislation by several committees, rather than a single one, may mean that the process is not captured by one set of considerations or one domestic interest group.

Nevertheless, recent changes in Congressional procedure are welcome. The new budgeting procedure may mean that sensible budget decisions need not be sneaked past Congress, eliminating the puzzle faced by McNamara which caused so much trouble in Skybolt. Proposals for establishing Congressional rules to govern Congressional access to classified material would, if enacted, make it easier for Congress to know about what is happening in time to influence outcomes (although if Congress proves to be extremely "leaky," the new rules may only drive executive deliberations underground). Congress ought not to be dependent on Executive agencies for information about events in which it has legitimate interest.

Explicit consultative mechanisms for given issues can

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help eliminate the suspicion and conflict which so often pervade relations between the two ends of Pennsylvania Avenue. For instance, 1973 Congressional legislation requiring a full foreign exchange offset to U.S. expenditures in NATO brought Congress into German-American offset negotiations. The State Department cleared proposed means of offset with members of Congress and with the General Accounting Office.

Yet the obstacles to serious partnership between the two branches of government in matters of foreign affairs are, on the part of Congress, more fundamental. Responsibility, and power, on such issues are increasingly fragmented on Capitol Hill. With the economic dimension of "foreign policy" issues increasingly obvious to Congressmen, those issues have become the province of a variety of committees. No longer are there strong foreign affairs committees—much less a Senator Vandenberg—with which the President and his advisors can clear proposals and strike bargains, confident that the views of man or committee are representative of Congressional will and can be determinative of Congressional response, and confident that sensitive information can be shared without high risk of leaks for partisan political purposes. That dispersion of authority is likely to increase in the several years ahead. It may well be salutory for the handling of domestic issues or even for some kinds of foreign policy issues (for example, defense budgeting), but its consequences for the managing of alliance relationships are likely to be negative. The temptation for the Executive not to consult Congress during sensitive international discussions, or to present it with *faits accomplis,* will remain.

Beyond the specifics of Congress' role in foreign policy-making there lurks the question of what scoring system will be used to judge any structure. The implicit scoring system in this study is Presidential: will the structure provide a basis for reasoned Presidential choice and provisions for implementation faithful to his intent? The premise is that building mechanisms which facilitate Presidential control will secure a stream of constitutionally legitimate decisions and actions over which Congress can exercise supervision. But the President is not the only conceivable "hero." A radical alternative might be to reconstruct the system around Congress, inconceivable as that seems at present. More modestly—but only slightly—structures might be erected to *constrain* the President, instead of advantaging him, assuring that particular outcomes would be produced or particular considerations attended to no matter who occupied the White House.

IX. SECRECY

No theme is more recurrent in discussion of the last decade of American foreign policy, and no subject so touchy, as secrecy. We have learned all too painfully that the outcomes of confidential processes may not reflect American national interest. And some have come to distrust those processes whatever their apparent outcomes. Yet deliberations during the cases examined in this volume were, at critical points, withdrawn from the view of Congress and the public. Often that secrecy was based on the need for protecting confidential communications between heads of state. At other times, closed proceedings were justified as second-best: "if only Congress were more reasonable, it wouldn't be necessary to keep this from them until later."

Procedural changes, like the move toward Congressional rules of access to classified materials, will help, but the dilemma is basic. Few would deny that the Executive has a right to preserve the confidentiality of its internal discussions. Yet that protection must be balanced by the right of the public, and especially of its elected representatives in Congress, to know of actions in time to supervise or influence them. In recent years, we have erred on the side of secrecy. The costs of openness often are all too apparent—witness McNamara trying to cancel the B-70. That may be especially true in alliance management, which often involves sensitive communications between senior officials of the allied governments. By contrast, the costs of secrecy are hidden or long-term. But the latter costs are real. In the Okinawa case, they may have been quite tangible: closed proceedings made it tempting to link reversion to textiles, a cost if one assumes that the link was unfortunate. In other cases, secrecy forfeits opportunities to educate the public on serious foreign policy issues and ultimately breeds public suspicion or cynicism about the actions of its government. In the future, openness should be the norm. Those who advocate secret processes must bear a heavy burden of justification.

Memorandum on The British Labour Party and the MLF

document

Prepared by Richard E. Neustadt
July 6, 1964

Everyone I saw in London during June brought up 'MLF', usually with curses. I looked sympathetic and listened hard, trying to judge whether we might have another 'Skybolt' brewing if Labour comes in: another situation where the differences of interest are compounded by each side's misreading of the pressures and procedures on the other side. I think we might. I also think we have a good chance to avoid it. On both scores, here is why.

What follows has been drawn from conversations with *politicians* (mainly Wilson, Gordon Walker, Healy, Brown, Mulley, Jenkins—and Heath), with *officials* (mainly Hardman, Cary, Palliser, Armstrong, Bligh), and with *spectators* (mainly Gwynn-Jones, Buchan, Beedham, Duchene). Before I left I swapped appraisals at our Embassy with Bruce, Irving and Newman. They will speak for themselves but I think we agree.

I ASSESSMENT

Regarding Labour's look at *us* if they win in October and we in November, I think it safe to say that *as of now* both the prospective ministers and the civilian top officials in MOD, FO and, Number 10, see four things pretty much alike:

1. President Johnson *personally* wants negotiations wrapped up, with the British in if possible, before the CDU right-wing steps up its sneers at Erhardt (and Erler too) in the German campaign period.
2. Otherwise the President confronts a *concrete* 'German problem', a pressing question for which he lacks answers: 'If not MLF, what?'
3. Judged on his form as Senate Leader, our President—newly and well elected—can be expected to press hard for what he feels he needs, and to reward a helping hand but not forget a hindrance.

When Wilson raised the subject at our first talk in mid-June I told him that I understood the President himself did not seek to see the MLF brought to fruition, for good reason from his point of view considering where he took up the issue, and that after the two elections Wilson, if in office, might want to ponder Johnson's Senate record. 'Oh', said Wilson, 'a deal.'

But while these things are seen, it does *not* follow that a Labour Government will promptly seek a 'deal'. No member of the frontbench is impressed with MLF in its own terms; none really buys our line on Europe or on Germany; the best of them still pursue McNamara's line of some two years ago; the others floundeer. Also, most of them worry about Eastern European reaction. Moreover—more important—all the internal forces in their system press the other way, to put off the issue, or better still (were Johnson willing) to evade it altogether. As viewed in June the pressures for delay *after* a Labour victory include the following:

1. Transition bureaucratics: Wilson's first cabinet will be nothing to brag about in terms either of intellect or of experience. He is aware of this and means to take all key decisions into his own hands. He wants not merely to make ultimate decisions but to pass issues through his own mind early, sitting at the centre of a brains-trust, with himself as first brains-truster on the model, he says, of JFK.

This suggests that much of his attention at the start will be devoted to machinery-building and administrative management (it fascinates him) and to getting hold of issues in economic management which may present themselves the moment he takes office. Besides, he has to oversee the drafting of the

*Professor Neustadt is forever embarrassed by his Columbia secretaries' failure to spell Healey correctly and by his failure to catch it.

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Queen's Speech (however banal) and the scheduling of work for Parliament (however routine) as it sits after election, unable to rise until the Christmas recess.

Also, more importantly, he has to keep one step ahead of all his colleagues in the precedent-making first encounters and arrangements which set tone and style for their relationships. 'I shall be chairman of the Board, not President,' he says, 'but Managing Director too, and very active at it.'

All these concerns are bound to turn his mind from MLF. Wilson will take office quite unready to decide his course on *that.*

Moreover, at the start of Wilson's Government, the issues posed by MLF will be as unripe for decision as he is unready. His new Ministers, fresh from campaigning as an opposition, will confront a deeply divided officialdom which has been marking time in an unprecedented fashion through a long 'American' campaign, and is unsettled further by the prospect of a Cabinet less experienced than any known since 1923.

When officials get their hands on the new Ministers, Foreign Office briefs presumably will urge affirmative response to us (assuming we stand firm) and then hard bargaining with us about terms and conditions (and the name) of the new mixed-manned force. Assuming Gordon Walker is the Foreign Secretary (he almost certainly will be) I expect he will submit with little struggle and become the advocate of his official 'line,' since he seems quite incapable of taking a coherent line himself and has no source of strength, politically, beyond what he can draw from his machine. On the other hand, Defense Ministry briefs presumably will urge resistance to expenditures on seaborne forces and will propose alternatives along the lines worked out for Thorneycroft last month. The Navy still wants Indian Ocean carriers above all else, is reconciled I gather to Polaris submarines, but fears the bite of MLF ships on its manpower *and* money as much as it once feared those submarines. The Air Force and the Ministry of Aviation (and the industry) are fighting to secure a lasting mission (and orders) for manned aircraft. TRS-2 is to them what the B-70 and SKYBOLT were to USAF. Top Defense civilians, borrowing 'Hitchcraft' from us, find MLF of no account on military grounds and see no budgetary compensation in it, quite the contrary.

Assuming Denis Healy is Defense Secretary (he seems confident he will be), his own interest in a mission East of Suez (and in sales of British aircraft), his mistrust of continentals, his disdain for MLF, comport well with the bulk of these official views. Despite some surface differences on such things as Polaris subs, the likelihood is that this Minister and his machine will find their outlooks basically compatible. They probably will come into agreement rather readily for reasons more substantial than in Gordon Walker's case—which gives Healy an advantage over Walker, an advantage enhanced by intellect and drive.

The prospect then is for perpetuation in the new regime of present differences between FO and MOD on MLF *per se.* The issue will be Wilson's to resolve. Neither Minister could resist him; neither has an independent power base politically.

But this is not an issue to be met in isolation. Budgeting and politics alike require that it be decided in the context of Polaris subs, TSR-2's, carriers, Aden, arms control, East-West 'detente', and Anglo-American relations. This is not the context for snap judgment. Nor is it the context for a judgment based on Healy *versus* Walker. Wilson being Wilson (as above), he'll almost surely want to reach beneath his Ministers to their machines and form his own views before they have frozen theirs. For this he will need time.

Gordon Walker gave me the opinion that a Labour Government could easily be ready to confer with the Americans by late November. Maybe so, in FO terms. But I asked Cary (now at Navy) when official briefs on East-of-Suez plans could be expected to get serious ministerial attention. His reply: about six weeks after election (early December). I asked Wilson when he thought that Ministers and their machines would be fully engaged with one another and with him. His reply: Christmas recess (late December-January). And I asked Healy when he thought they'd have decided, as a Government, what they might do for us and wanted from us. His reply: late January. Considering how long it took the Tory Government—some four months, I surmise—to bargain out internally their current 'supplementary' MLF proposals, Wilson is an optimist (and Gordon Walker silly).

2. Parliamentary politics: As Wilson now is going, back-bench opposition from his own side to a Labour Government (no other kind of opposition threatens British Cabinets) can arise only on the left. The right will not be troublesome for a long time to come. Its leaders, to a man, will be in office.

A Labour victory should leave the left unorganized and leaderless (Wilson *was* its leader) with its prospective size unknown either to its own hard-core or to the party leadership—underlying attitudes of many freshman MP's will be hard to gauge.

The problem posed for Wilson by this latent opposition is a matter to be estimated *after* the election. Everything depends upon the size and composition of his overall majority. At present, the 'left-wing' in its most general sense numbers about one-third of Labour MP's, with a hard-core of 15–20 who are often very close indeed to the Communist line. Were Labour to win but a bare majority in Commons, that hardcore could become a pressing

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problem. Were Labour to sweep in (which nobody expects), the general leftish group might rise to half the party membership (with hosts of screwballs riding on the tide), also a pressing problem. If Labour wins a middle-sized majority, comfortable and not too big (70 is the front-bench ideal), left-wing opposition can become a problem only as the Government decides to make it so by forcing issues which give hard-core leftists wide appeal outside their own ranks.

But MLF may well be such an issue. Khrushchev and Zorin are making it so. It is indeed the best such issue, in left terms, now visible on the horizon—far better than Polaris subs which have a solid jingoist appeal, especially now that CND is dead. 'MLF' means literally nothing to the general public now and little more than that to most back-benchers, but it might be made to mean 'pro-German, anti-Russian', when the time comes, with 'American arm-twisting' as an added feature. Hence, the potential wide appeal which won't be lost on leftists.

Whatever the dimensions of his victory, Wilson will need time to assess it, to count noses in the House, to decide which sort of problem he confronts and how he wants to meet it. MLF is inextricably involved in these decisions. The circumstances may suggest an early challenge to the left for disciplinary purposes, in which case MLF becomes an interesting possibility, one among others. Or the circumstances may suggest leaving the opposition latent and unorganized as long as possible, in which case MLF becomes a sheer embarrassment. In neither case will Wilson want to rush his calculations.

His need for caution can only be enhanced by the status of that other opposition, the official Opposition, the late Government, which will confront him with a front-bench better informed at the outset than his own. Home, Heath, Thorneycroft could not unseat him, but they certainly could embarrass him if he puts a foot wrong.

3. Pre-election postures: As of now neither Party seeks to make the MLF a campaign issue. The Tory Cabinet can't afford public commitment *now*, over Thorneycroft's dissent and Mountbatten's scorn. So long as the Government does not officially endorse it, the opposition has no reason to oppose it. And the voters remain free to ignore it, as they do, which suits the front-bench on both sides since both want their hands free after election.

But Wilson, Healy, Gordon Walker, Brown (among others) all have taken personal positions ranging from extremely skeptical to very negative. These, although unnoticed by the *general* public, are on record with assorted special publics: the press corps, back-benchers, continental Socialists, and in Wilson's case, Khrushchev. (In the Kremlin he apparently defended us against the charge that MLF was meant to arm the Germans, but he didn't defend MLF as such). Wilson talks of arms control and detente. He and Healy—and especially Gordon Walker—talk of Atlantic consultation on strategy and policy 'up to the final decision on the trigger, which is yours and must remain so.' All three talk of 'getting back to McNamara's doctrine at Ann Arbor, which made sense.' And all this talk, however imprecise, revolves around a *substitute* for MLF: they may be fuzzy on exactly what they do want, but they don't want that—and everyone who cares to listen knows it.

This raises the problem of eating words after election—and the season for *campaign* words hasn't yet begun.

Moreover, in a related sphere, other words which made more public impact may cause quite a lot of pain as the campaign proceeds: words about Polaris subs and the 'independent deterrent'. With one exception, every Labour MP I encountered (about 20) expressed worry over Tory charges two months hence that 'they want to hand our deterrent to Goldwater', a nice point since if he is nominated his defeat will not have happened by the time of their election. Wilson was the exception; he professed himself unworried: 'I'll reply that the Tories have so little judgment as to count Johnson out, and Johnson won't like that.' (How this helps *Wilson* is unclear to me). I asked Heath how he saw the issue. He grinned: 'They got themselves into it, didn't they?'

As things stand even now, I sense little disposition among Labour front-benchers to scrap Polaris if they do come in, though they'd be glad to scrap Macmillan's escape-clause as a sop to 'Ann Arbor' —and their left—since it is meaningless in substance and they don't need it politically. Indeed, I get the clear impression that the main reason they still toy with cancelling Polaris is that they think *we* want to end their national deterrent and would pay a price for that—in short, a bargaining point with us. This contrasts oddly with our State Department view that MLF is a 'way out' for them, a way to rid themselves of a political embarrassment. But CND *is* dead, and Tories shortly may be breathing down their necks—and Thorneycroft is trying (via contracts) to give them the easier out of crying *'fait accompli'* after election.

In the whole sphere of nuclear deterrence and allied relations there may be lots of words to eat by next October. The conjunction of our two campaigns helps not at all. Such eating calls for sugar-coating first. And that takes time (and sugar, some of it ours).

4. Dreams of Glory (retrospective): Labour has been out for twelve years. Few of its prospective Cabinet ministers have ever been 'in'. Their vision of the place and power in the world which they hope to assume as HM Government has rather more

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to do with 1951 than 1964, judging by the overtones when they discuss their prospects. Many of the educative shocks with Tories and officials have encountered in the interim do not seem to have registered in full on these outsiders. Roy Jenkins estimates that it will take a year at least for his frontbenchers, once in office, to get up to date about the 'multi-racial Commonwealth', for instance, let alone 'Europe'. Regarding the Commonwealth, Atlee's old concepts persist, and Wilson says, 'we must make a new try in terms of economics, not politics'. Regarding Europe there is real ambivalence. Wilson and Healy evidently share the deep distrust of Frogs and Wogs (to say nothing of Huns) which was characteristic of Atlee, Bevin, even Gaitskell—and remains in character for lots of Labour voters. On the other hand, temptations toward a continental policy, free from Americans, are never wholly lacking and might grow apace if only there were socialist regimes to join. Healy can't play Thorneycroft and knows it, but I gather that he does think now and then of what it would be like (at least for bargaining with us) if, there were Social Democrats in power on the Continent.

And Wilson evidently has his own dreams of a role as honest broker in East-West relations (shades of 1945). Currently he is 'the man who knows Khrushchev.'

Power breeds realism, no doubt. But there *is* a gestation period. Meanwhile, Her Majesty's new Ministers are bound to be a rather proud and touchy lot, mindful of prerogatives and eager to believe that they have other options than a deal with us.

To summarize the foregoing four points: there will be no internal pressures on a Labour Government after election to spur it toward an early deal with us. Quite the contrary. The *only* spur we can expect is their perception of our need and fixed intention to proceed with *or* without them.

Accordingly, the first thing they will test is our intention, in the context of events after our own election. Although they know *now* that the President wants MLF, they'll seek to satisfy themselves that he still wants it. Maybe events in Southeast Asia, say, or in East-West relations, will have altered his priorities. Or maybe he's been firm only because of a 'one-sided presentation' from the 'cabal' (British for Rostow, Owen, Schaetzel, Bowie, whose positions are identified and classified in London). Maybe he would shift ground in the winter if he heard 'the other side' presented properly by Labour (a Healy speculation).

If and as their testing shows us still determined, then and only then will they turn their minds in full seriousness to the key questions: What is the least they have to do for Johnson? and What is the most they might get in return?

Subsumed under the first of these two questions are at least three issues on which nobody in Labour *now* appears to have a firm grip or a clear understanding: Would we really go ahead without them, even if Rome held out too? Would we really assent to a voting formula which risks *their* veto over *our* abandonment of our veto? Does it take a German-sized financial contribution to obtain full voting status, and if so what else but money might be made to count? After election, when they try to gauge our 'quid', these issues will come up for clarification.

Regarding the second question, the 'quo' in any bargain, shadow-ministers *now* voice assorted notions, none of them precise, none 'jelled'. Few of these are firmly held, some are scarcely serious, but all together do suggest the range within which they'll begin to think after election. These notions include the following (items are *not* mutually exclusive):

1. A new disarmament approach to the Soviets *before* decision on an allied mixed-manned force.
2. New inter-allied consultative mechanisms *(and symbols)* as substitute (or supplement) for any mixed-manned force.
3. A mixed-manned force of aircraft, Pershings, ground forces, what-have-you, with few if any surface ships to start (variations on the present Government's proposal).
4. With any mixed-manned force, assurance of some form of US veto into perpetuity (or of British veto over our withdrawal from our veto).
5. American orders for British aircraft, or some variant which serves the same purposes (unless these have been served by item three above).
6. American support for and assistance to new forms of British presence East of Suez—carriers, etcetera—including diplomatic support with Nasser for an unimpeded, unexploited, phase-out from the Aden base.

Beyond these notions one goes around the world, touching speculatively on South-east Asia (including Indonesia), British Guiana, Cuba, and the like, as places where the US might be threatened or the UK rewarded in the course of bargaining over MLF. The talk grows less substantial as one goes.

But in the talk there is a hint: if we harm them, they are not without resources to retaliate in kind. Whether *we* think they actually can afford to hurt us matters less than whether *they* think they can. As of now they do.

David Bruce predicts that Wilson almost surely will try out on Johnson item two above (consultative machinery), perhaps combined with item one (disarmament talks) as a substitute for MLF. Only when Johnson said 'no' *except* in the context of action on MLF would Wilson come to grips with other items on this list and seriously contemplate a deal.

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Bruce thus suggests that a two-stage negotiation is in prospect, with Wilson being turned down at the first stage. Such an outcome adds materially to the risks of Skybolt-type misunderstandings. We should improve upon this prospect if we can.

II RECOMMENDATIONS

Wilson told me that after the two elections he expects to bring a team to Washington, introducing the regimes to one another in the context of exploratory talks across-the-board, 'as Macmillan did with Eisenhower in 1957.' Regarding Britain and the MLF, we should begin to plan *now* for the timing and the content of those talks. I suggest the following:

1. Pre-election restraint: We've got one message across: Johnson wants MLF and if they seek fruitful Anglo-American relations (as they must) they'll have to reckon with that fact. Enough argued for the time being. Americans should now confine themselves to listening. Let *Englishmen* like Harlech, Gwynn-Jones, and other close observers needle Wilson and the rest on how to do their reckoning. *We* should not be caught with needles in our hands. Especially not members of the 'cabal'. At the same time, we should—of course—keep contact. We need to know as best we can what reckoning they do, or leave undone, and why, before election.

2. Post-election gestures: If Wilson is elected in October, Johnson (still running) can't do much more than send formal congratulations. But immediately after *our* election, the President—assuming he remains of the same mind on MLF—might well send Wilson a warm, personal communication, inviting him to come and bring his team for talks in every sphere, 'as soon as you are ready,' perhaps suggesting the last week in January 'after Inaugural', as a good time, and saying with respect to the defense sphere that Johnson is determined to get action on the MLF, if possible in company with Wilson: no pressure, no gun-to-the-head on timing, but explicit determination.

This letter should be hand-carried, preferably by Mac Bundy (cover story: 'arrangements for a meeting,' with a one-day trip to Bonn regarding further meetings, if need be). Wilson and his colleagues regard Bundy as close to the President, completely reliable, and not a 'cabal' member. A cabinet officer would be too prominent, a 'cabal' member fatal. Bundy is our best bet. He could effectively enlarge upon the message that he carried in at least the following respects:

a. our interest in their cancellation of Polaris sub. If we *haven't* any interest and it's *not* a bargaining point with us, the sooner they know that the better.

b. our view on trading off the MLF for something from the Russians which would interest the Germans. If we think there is no prospect of a useful exploration until after we have got MLF launched, the sooner they know that the better. And the sooner they know what we think the Russian 'quo' might have to be, the likelier they are to see our point on timing.

c. our view on consummating MLF without them if need be, however much we'd rather have them in. If we really mean to go ahead should they find, after reasonable thought and talk, that they can't join, the sooner the better again.

A Bundy trip conceivably could save us the whole first stage of Bruce's predicted two-stage negotiation.

3. Planning for a deal: We have four months before we can make post-election contracts. This is ample time to clarify our own minds on the range of responses we could make to Wilson's probable requests. When we see how *his* reckoning progresses we can adjust our planned responses, provided we have planned them in advance. We might start by identifying every element of bureaucratic, political and personal pressure *against* MLF, which Wilson once in office may encounter, and then see what we could devise to temper each such element, as follows:

a. The British Navy East of Suez: Do we want a Western presence of substantial capability in the Indian Ocean area? Are we prepared to see it wear a British label, thus perpetuating a non-European mission for Great Britain? If so, here is a promising route to a new joint venture, linking our interests for years ahead in a relationship which can't be criticized on grounds that it discriminates against the rest of Europe. British resources alone, even in the most ambitious naval plans, evidently won't produce a force which could do more than enter friendly harbors, on request, for police actions. But British naval hearts, I *think*, would quicken to the notion of a larger mission under British management with joint support. Healy's interests would, I *think*, become engaged. And even if we did no more than befriend a restricted British presence, our support, if tangible, might ease the pain of MLF in British naval circles. Either way, what support could we offer?

b. The British Aircraft Industry: RAF is eager for TSR-2 as a matter of manned-bombership. The Ministries of Defense and Aviation accept the idea of its multilateralization to produce more orders, thereby cutting unit costs and adding work for British manufacturers. This expensive, problematical new weapon (still under development) locks up a lot of defense funds which otherwise might cover MLF and carriers too. But TSR-2 also is the only thing in sight to sustain Britain's aviation industry. This is the

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crux of the matter. RAF aside, the interests of those Ministries (and of Wilson's projected Ministry of Technology) run with new orders—and employment—for that industry. Either in the context of a mixed-manned force or separately, new orders for *some* aircraft (whether TSR-2 or not) would compensate these interests for support of MLF. This is virtually sure to be an item in their bargaining. Granting our own industry's concerns, what might we do for theirs?

c. The American Veto: Labour front-benchers say they'd never take a control formula for MLF which hints at an American withdrawal (their eyes are on back-benchers, and on anti-Germans, and on Moscow). But Germans—and Europeans—want to point toward the day when a United Europe could 'buy us out'. Their need to do so must be balanced against Labour's need to say 'not without British consent'. My *guess* is that a form of words which subjects changes in control, a droppping of *our* veto, to consent by every member (thus to HMG's consent) will do the trick especially if Wilson could go home and claim a victory while Erhardt could express himself still satisfied. Have we the words to produce this result?

d. Consultative Mechanisms: A Labour Government will need some symbols both for public satisfaction for Gordon Walker's *amour propre* (to say nothing of Wilson's). But it presumably could also use some substance and the closer symbols can relate to substance the better. Symbolically, if there are British colonels now at Omaha, could we have them ostentatiously replaced by generals? If the Berlin task force is a useful mechanism, could we ostentatiously enlarge its mandate? If the Board of Governors of MLF is to preside over a nuclear force, could we formally put it into the business of discussing allied strategy, or arms control, or both? Other comparable questions will suggest themselves. Substantively, I would hope there is some real work to be done behind facades like these. And perhaps we could go beyond these to some further ventures of decided usefulness to Britain in real terms even if not symbolically. I think particularly of a joint review from ministry to ministry concerning our projected force levels, roles, missions around the world, with Bonn's Defense Ministry brought in for a tripartite look at Europe. Conceivably this might become an annual exercise geared to our respective 'budget seasons'. Whether publicized or not it would have undoubted meaning, substantively, for the British (there's more in it for them than for us). Is this something else Wilson might gain from talks with us?

e. East-West Relations: Wilson will need protection from the charge that by support for MLF he enters a pro-German, anti-Soviet, antidetente, capitalist plot. He will also need to be convinced in his own mind that he is doing no such things, and that the Russians know it. How do we *convince* him, once we have informed him (if we do) that consummation of the MLF must precede any thought of explorations looking toward a trade-off with the Soviets? I think of several things which might well help. He'll want to tell the President about Khrushchev; the President could listen with attentive interest. He'll want to hear the President discourse upon the cause of reduced tension, East and West, with as much seriousness as the late President displayed to him in April 1963. This should be no problem. As a Kremlinologist he'll want to hear strong reasons why that cause can be *advanced* by action on the MLF. He'll want to hear them because if he makes a deal with us, he'll need to use them. And he'll want the MLF he joins to wear a different look—perhaps be called a different name—than it has worn since Moscow started to attack it. This as a matter of conviction *and* protection. These things do not exhaust the list. What else? Or what instead?

f. Atmospherics: Wilson's first contact with Anglo-American relations came in the Second World War, when he was a young civil servant. His last official contact came in Atlee's government. As Prime Minister I would expect him to arrive in Washington with recollections of the Anglo-American relationship and hopes for his own personal relationship which are quite different from perceptions of reality held by many American officials. Numbers of things can be done on the cheap to avoid shocking his sensibilities. For one, the President might ask his advice on a short list of replacements for David Bruce. For another, Averell Harriman might figure prominently among his hosts. If these don't serve there are sure to be others. They are worth thought and attention.

These suggestions all rest on one underlying premise, that it will be worth our while to ease the path for Wilson, pay him a good price, leave him no possible excuse we can foresee for failing to proceed toward MLF in company with us and with the Germans. That assumption is subject to challenge, I know. I make it because I surmise that if we get over this hurdle in good style, the stage will be well set not only for effective Anglo-American relations but for increasingly productive Anglo-German ones. And I can think of nothing likelier to speed a Labour Government's approach toward the European *and* Atlantic attitudes *we* favor, than productive, firm relations both with Washington and Bonn. There is, besides, an opposite side to the coin. And I don't like the look of *that.*

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Part V: Establishing Arms Control Negotiating Positions

EDITED BY RICHARD HUFF AND BURTON ROSENTHAL

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Introduction*

Can the United States rely on its military strength alone to guarantee the security of American citizens, and the survival of our society? The answer is plainly: No. President Nixon's first Foreign Policy Report made this point forcefully:

> The traditional course of seeking security primarily through military strength raises several problems in a world of multiplying strategic weapons. Modern technology makes any balance precarious and prompts new efforts at higher level of complexity. Such an arms race absorbs resources, talents, and energies. The more intense the competition, the greater the uncertainty about the other side's intentions. The higher the level of armaments, the greater the violence and devastation should deterrence fail. *For these reasons I decided early in the administration that we should seek to maintain our security whenever possible through cooperative efforts with other nations at the lowest possible level of uncertainty, cost, and potential violence* [emphasis added].[1]

Negotiated arms control agreements have thus become an important instrument of American national security policy: increasing security not only through unilateral acquisition of military force, but also through agreement with other nations to forego certain weapons.

Arms control has also been a central strand in American foreign policy. As the Act of Congress creating the Arms Control and Disarmament Agency states, "Arms control and disarmament policy, being an important aspect of foreign policy, must be coordinated with national security policy as a whole." [2] Secretary of State Kissinger has emphasized repeatedly the centrality of arms control to the character of relations between the United States and the Soviet Union. As he stated in Moscow in July, 1974, the Administration's

> objective is to prevent the nuclear arms race and the arms race in general from dominating international affairs. I want to stress again that this objective is no mean goal and one that will occupy American administrations in the absence of comprehensive agreements for as far into the future as we can see. It is not only the complexity of the weapons and their destructiveness, it is also the justifications that will have to be used in each country to sustain large armament programs that will, over a period of time, present a major obstacle to the humane or even safe conduct of foreign policy.

Since the creation of the Arms Control and Disarmament Agency in 1961, the U.S. has negotiated successfully over a dozen arms control agreements, including: the Antarctic Treaty (1961), the Hot Line Agreement (1963), the Limited Test Ban Treaty (1963), the Outer Space Treaty (1967), the Treaty for the Prohibition of Nuclear Weapons in Latin America (1967), the Nonproliferation Treaty (1968), the Treaty Banning Placement of Weapons of Mass Destruction on the Seabed (1971), the Agreement to Reduce the Risk of Outbreak of Nuclear War (1971), the ABM Treaty (1972, 1974), the Interim Agreement Limiting Strategic Offensive Weapons (1972), the Biological Warfare Convention (1972), the Agreement on the Prevention of Nuclear War (1973), and the Threshold Nuclear Test Limitation Treaty (1974).

Though most of the agreements to date have centered on strategic nuclear weapons, important arms control questions also arise about the development and use of conventional weapons, their proliferation and sale, and regional balances of power created by local arms build-ups. It is the Commission's good fortune that the Zablocki Subcommittee on National Security Policy and Scientific Developments (House Foreign Affairs Committee) has recently published a "Review of Arms Control Legislation and Organization," prepared by Mr. Philip Farley, former Deputy Director of ACDA. (See Appendix A.) Our research for the Commission profited greatly from the Report of the Za-

*This summary is based on five larger cases prepared for the Commission on the Organization of the Government for the Conduct of Foreign Policy: two on SALT, "Formulating Negotiating Positions for SALT: 1968, 1969–72," by Burton R. Rosenthal with the assistance of Barry Carter; and three on CBW, "Chemical and Biological Weapons Policymaking in the United States, 1965–72," by Forrest R. Frank, based on research done in the preparation of a doctoral dissertation, "U.S. Arms Control Policymaking: The 1972 Biological Weapons Convention Case," (copyright 1974 by Forrest R. Frank). The SALT summary was prepared by Burton R. Rosenthal; the CBW summary by Richard Huff.

[1] *U.S. Foreign Policy for the 1970's: A New Strategy for Peace,* A Report to Congress by Richard Nixon, President of the United States, Feb. 18, 1970, pp. 142–43.

[2] 22 U.S. Code 2551.

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blocki Subcommittee, and the findings from our case analyses are entirely compatible with the Subcommittee's conclusions.

A limited set of cases cannot hope to cover all aspects of arms control. Instead, the cases selected focus on the two most important arms control achievements of the recent past: SALT (Strategic Arms Limitations Talks) and CBW (Chemical and Biological Weapons). The problems that arise in each seem representative not only of the most important aspects of arms control negotiations in the recent past, but also of the problems of the future.

Both cases concentrate on the phase of arms control negotiations most importantly affected by American organizational arrangements: namely, the formulation of U.S. negotiating positions. Thus, they ask which weapons were judged appropriate to put on the international negotiating table, on what timetable, and which not? Which negotiating positions were acceptable, and which not? The actual process of international negotiations becomes secondary for our purposes here, and is treated only as it affects U.S. negotiating positions.

The cases are essentially five (three on CBW and two on SALT). The three CBW cases examine: (1) the absence of an American negotiating position, given American introduction and use of chemical weapons in Vietnam, contrary to the Geneva Protocol; (2) the attempt under President Johnson to formulate a policy on chemical and biological weapons in 1967–1968; (3) the Nixon Administration's establishment of a U.S. policy on biological and chemical weapons in 1969, and resubmission of the 1925 Geneva Protocol to the U.S. Senate for ratification. The two SALT cases examine: (1) the formulation of a U.S. negotiating position for SALT under President Johnson in 1968; and (2) the Nixon Administration's formulation of a negotiating position leading to the SALT I agreement in 1972.

The cases raise a number of important issues about government organization for formulating arms control negotiating positions. Both CBW and SALT illustrate the contrast between the Johnson and Nixon Administrations' procedures for central management and coordination of second-order issues requiring a discrete Presidential decision, CBW; and also of first-order issues involving the President continuously, SALT. A second issue, also illustrated by both cases, concerns the interaction of unilateral weapons acquisition decisions with arms control. The arms control agenda is both formed and constrained by technological developments in unilateral weapons processes. There is a need, therefore, for mechanisms that provide early warning about potential arms control issues. One mechanism suggested recently for performing this function is a "Weapons Impact Statement" which would include an analysis of the arms control implications of a proposed new weapons system. Other organizational issues raised by the cases include: the role of the JCS in formulating arms control positions; the role of Congress in arms control negotiations; the role of ACDA in formulating arms control negotiations; and mechanisms for independent scientific and technological advice to the White House.

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CHAPTER 2

CBW: 1962-67; 1967-68; 1969-72*

Based on a case by Forrest R. Frank

United States policy on the production, storage, and use of chemical and biological weapons must balance a large number of competing considerations: (1) the military utility of chemical and biological weapons, either in actual conflict or as a deterrent; (2) the military disutility of chemical and biological weapons used against American troops in various contingencies; (3) the impact of U.S. actions on the acquisition and use of chemical and biological weapons by third parties; (4) the influence of American policies about chemical and biological weapons on world opinion; and the like. Few readers will be surprised to discover that participants in the U.S. government have had differences of opinion about the relative weights of such competing considerations, and thus the preferred American policy. To the question, "What should U.S. policy be on the acquisition and use of chemical and biological weapons?" objective conditions of technology and economics dictate no single answer. Nor is it possible for any but the most committed advocates to insist that there is but one right answer to the question, denying any merit whatever to competing considerations.

Instead, the American government answers this question, like most similar hard questions, by a process that weights and balances various interests and considerations as it reaches a decision. The organization of the U.S. government and its procedures for reaching decisions importantly affect which interests and considerations are involved and which are most influential.

In 1962, the U.S. first introduced chemical agents, tear gas and herbicides, in Vietnam. As the U.S. became more deeply involved in Vietnam, use of chemical agents escalated. By 1968, the U.S. had used over 7½ million pounds of riot control agents and over 11½ million gallons of herbicides. This use of chemical weapons was initiated with no consideration of its impact on world opinion or its impact on the use of such agents by other nations. The use escalated according to seemingly inexorable "laws of war." As McGeorge Bundy, Special Assistant for National Security Affairs during this period, has testified:

> There is, however, one specific lesson from the past that seems to me worth holding in mind. Both in the case of herbicides and in that of tear gas, the initial authorization for military use in the early 1960's were narrowly framed, at least as understood by civilians in Washington. The first authorized use of herbicides, as I recall it, was for defoliation along narrow jungle trails. I remember no talk of crop destruction at the beginning. The initial use of tear gas was for situations involving the need to protect civilian lives, in conditions closely analogous to those of a civil right threat at home, and indeed in his first public statement on this subject, Secretary Rusk made it clear that it was the policy of the Administration to authorize the use of such agents only in such riot control situations. But as time passed, increasingly war-like uses were found for both kinds of agents . . . Thus under the pressure of availability and battlefield urgency, the initial authorizations from Washington have been steadily widened. This is not a matter of bad faith or deception. Nor is it primarily a failure of command and control, although tighter and more explicit guidelines could have been useful in limiting the use of these agents. *What happened here is what tends to happen quite remorselessly in war: unless there are sharp and clear defining lines against the use of a given weapon, it tends to be used* [emphasis added].

This study examines three episodes in the recent history of CBW. The first case, on the use of chemical agents in Vietnam, 1962–67, illustrates not only the absence of an arms control negotiating position during periods when a weapon is actually in use, but also the interaction of military operations and arms control. (For more on the Conduct of Military Operations, see Part VI.)

The second case examines the attempt to estab-

*The original CBW case study could not have been prepared without the benefit of more than fifty interviews with participants. The summary analyst is indebted to Morton H. Halperin for comments on earlier drafts.

lish a government-wide policy on CBW in 1967–1968. The Geneva Protocol of 1925 banned the production and use of chemical and biological weapons. By 1967, more than sixty nations had become full parties to this agreement, which had generally been accepted as part of the body of international law. But the United States—alone among the major powers—had not signed. Given that the U.S. was using chemical agents in Vietnam and maintaining substantial biological weapons capabilities, U.S. policy in effect insisted that the U.S. had the right to use any chemical and any biological weapon whenever and wherever the U.S. government chose. This policy was strongly supported by the Joint Chiefs of Staff. But in the mid-60's, American representatives to the U.N. and ACDA officials occasionally made statements contrary to this policy. In 1967, the JCS asked Secretary of Defense McNamara to seek a national policy on chemical and biological weapons. They wanted (and expected) a policy that affirmed the position of no restriction on use and directed officials in State and ACDA to stop making statements to the contrary. After President Johnson's March 31, 1968 announcement that he would not seek re-election, the Administration's search for a "peace legacy" reached out for issues like CBW. But in neither instance did the Johnson Administration's procedures for decision on issues of this kind bring CBW to the President as a decidable issue. Thus, this case explores the impact of structure and procedures on the failure of the U.S. government to establish a government-wide policy or to raise the issue to the President for decision.

In 1969, President Nixon installed rather different procedures for considering issues like CBW. In response to a JCS request to the Secretary of Defense for a national policy on CBW, the White House issued NSSM 59, requesting a thorough study of the issue, a map of the options, and a statement of the pros and cons of each alternative. On the basis of this study, the issue was discussed fully at an NSC meeting. On November 25, 1969, President Nixon announced the following decisions:

1. The U.S. unilaterally gave up the right to use biological weapons under any circumstances.
2. The U.S. pledged to destroy its existing stockpiles of biological agents and munitions and to convert biological weapons research and production facilities to peaceful purposes.
3. The U.S. renounced the first use of lethal and incapacitating chemical agents.
4. The President pledged to resubmit the 1925 Geneva Protocol to the Senate for its advice and consent to ratification.
5. The U.S. associated itself with the U.K. draft convention on biological weapons tabled at the conference of the Committee on Disarmament.

The aim of the three cases is not to examine the substantive merit of the use of chemicals in Vietnam, American policy under LBJ, or Nixon's decision. Rather, we focus here on the effects of organizational arrangements on the way competing interests were balanced at each stage.

Following this introduction, section I presents summaries of the three cases on CBW: (1) the use of chemical agents in Vietnam; (2) the attempt to establish a government-wide policy, 1967–68; (3) the Nixon Administration's decision of 1969 and the implementation of that decision in the years that followed. Section II takes the three cases together and analyzes the impact of organizational arrangements on policy-making in each of the three instances. Section III evaluates the U.S. government's performance during the Johnson and Nixon Administrations against the Commission's ideal checklist.

I. OVERVIEW

A. Case 1: The Use of Chemical Agents in Vietnam, 1962–67

Despite their potential for inflicting casualties, chemical and biological weapons have always been a relatively insignificant part of the total U.S. defense posture. Yet CBW came to be a major topic of public controversy during the middle and late 1960's, to a large extent because of the widespread use of chemical agents in Vietnam. Like many other U.S. actions in Vietnam, the use of riot control agents and herbicides in military operations did not result from a consciously-adopted, well-reasoned policy decision made after a full review of all the relevant considerations involved in the issue. Rather, U.S. policy on the use of chemical agents in Vietnam seems more *ad hoc* and stumbling. Small-scale "experiments" gradually escalated into large operations, with official U.S. "policy" being created more as rationalization than as rationale.

1. The Introduction of Chemical Agents into Vietnam

U.S. interest in chemical and biological warfare was minimal during the 1950's era of "massive retaliation." With the adoption of the doctrine of "flexible response" in the early 1960's, however, the Defense Department began upgrading its CBW capabilities. Growing American involvement in Vietnam provided for the Army Chemical Corps (which managed American CBW capabilities) an opportunity to demonstrate the worthiness of the Pentagon's increased attention and financial support.

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Chemical Corps experiments with herbicides in Vietnam began in November of 1961 and continued through the following year, thereby convincing the U.S. Military Assistance Command in Saigon of their potential utility in the war against the Vietcong. Following the usual procedures of the period, the Joint Chiefs of Staff backed the judgment of the commanders in the field and recommended to the White House that a full-scale defoliation program be undertaken. Permission was granted in the fall of 1962, and "Operation Ranch Hand" began.

Spraying chemicals on plants was one thing, but using them on humans was quite another. By 1964, the Pentagon had become interested in possible uses of non-lethal riot control agents in Vietnam. But given the legacy of World War I and the international agreements concluded in its aftermath banning "gas warfare," the Joint Chiefs thought it advisable to first obtain the State Department's opinion as to the legal status of riot control agents under existing interpretations of international law before authorizing their full-scale use in Vietnam. Moreover, since the agents were to be supplied under the U.S. aid program—ostensibly under the control of the State Department through the Agency for International Development—State's approval of the plan was required before it could begin.

The State Department's reply to the JCS' query was ambiguous. It reported that riot control agents were probably legal in situations analogous to domestic riot control, i.e., in situations requiring the separation of combatants and civilians. State's discussion of the broader foreign policy considerations involved in the issue was limited to a loose judgment that the diplomatic costs of chemical agent use might be high. But the Joint Chiefs were unlikely to be deterred by a moderate judgment about possible diplomatic costs. Given their responsibility for the conduct of military operations, a weapon with positive military utility was a net benefit. There was no regular mechanism for forcing government-wide attention to the diplomatic, political, or arms control implications of the Chiefs' decisions.

2. The Escalation of Chemical Agent Use

Despite later denials, President Johnson apparently gave his approval to the Pentagon's plan, although the decision was a difficult one. Thus, the door opened to the use of riot control agents in Vietnam. But how wide? The initial authorization had opened it just a crack. State's reply to the Joint Chiefs had recommended that the use of riot control agents be restricted to riot control situations, while Foreign Service officers in the U.S. Embassy in Saigon were instructed to reject all South Vietnamese requests for herbicide missions that were "outrageous." [1] But given the "inexorable laws of war," it was unlikely that the door would remain so narrowly open, no matter what the State Department said or did. With the first small-scale uses of riot control agents in late 1964, a significant firebreak had been breached. Previously, the issue had been gas or no gas—a sharply defined issue with profound moral, legal, and political implications (even though these were not fully realized at the time). Once chemicals had actually been used, the issue was reduced to the much hazier matter of what kinds of chemicals should be used under what circumstances. Thereafter, the ability of groups outside the military to influence decision-making on that issue was significantly limited. Having forfeited the opportunity to inject broader foreign policy considerations into its reply to the Joint Chiefs' query on the legal status of riot control agents, State had, in effect, given up its influence on the course of events thereafter.

As a result, the level of U.S. use of riot control agents and herbicides was determined solely by the decisions of local military commanders. Not surprisingly, their use increased dramatically, paralleling the overall escalation of U.S. involvement in the

TABLE 1.—PROCUREMENT OF RIOT CONTROL AGENTS CS, CS1, AND CS2 FOR SOUTHEAST ASIA (IN THOUSANDS OF POUNDS) [a]

	Fiscal Year							
	1964	*1965*	*1966*	*1967*	*1968*	*1969*	*1970*	*1971*
CS	225	93	378	437	714	2018	0	0
CS1	142	160	1217	777	3249	160	354	0
CS2	0	0	0	0	228	3885	1830	0
Total	367	253	1595	1214	4191	6063	2184	0

[a] Data originally supplied to Congress by the Department of Defense

TABLE 2.—USE OF HERBICIDES IN VIETNAM, 1965–1971

Year	*Number of Missions*	*Amount of Herbicides Used (in Gallons)*
1965 [a]	164	353,350
1966	806	2,051,065
1967	1595	4,780,129
1968	1471	4,515,390
1969	1651	4,416,631
1970	530	890,554
1971 [b]	51	49,952
Total	6268	17,057,071

[a] From August-December 1965
[b] Through October, 1971

[1] Because of State's formal jurisdiction in the matter, FSO's were required to pass judgment on all such requests before they could be authorized.

Vietnamese conflict. (See Tables 1 and 2) More importantly, perhaps, the character of that use also changed. Where riot control agents had initially been used (and justified) as a humanitarian means of minimizing casualties, by separating civilians from Vietcong soldiers, it was not long before they were being employed to maximize casualties, by making enemy soldiers more vulnerable to B-52 bombing raids, napalm attacks, artillery bombardments, and follow-up infantry assaults. While the original mission for herbicides had been to eliminate ground cover for Vietcong attacks, herbicides were soon being used also to destroy crops in communist-controlled sections of the country.

3. Domestic and International Criticism

Both at home and abroad, the U.S. use of chemical agents in Vietnam came under fire. Press reaction to the initial disclosures of the use of riot control agents in Vietnam was swift and hostile. Both the *New York Times* and *Washington Post* ran editorials on March 24, 1965, strongly criticizing the use of chemical agents in Vietnam. Congressional reaction was mixed. Some members praised the Administration for its humane attempt to minimize civilian casualties, while others were sharply critical of the moral and political implications of the chemicals' use. One member, Representative Robert W. Kastenmeier of Wisconsin, worried about the arms control implications of the use of riot control agents:

> This is the central issue: the use of gas by any nation creates a precedent for later use by other countries of other gases. . . . Any use of these weapons opens the door to the use of other, more lethal and inhumane weapons.[2]

But few of Kastenmeier's colleagues joined him in raising these specific concerns at this time.

International reaction to the March disclosure was more hostile than the domestic criticism. The U.S. Information Agency conducted a public opinion poll, and, as a result of that study, asked that the use of riot control agents be halted. Many embassies, especially in Western Europe, reported to Washington that official reaction was very negative regarding the use of riot control agents. By May of that year, international opinion had been translated into formal diplomatic protest.

But while the Johnson Administration felt it wise to defend itself against this torrent of criticism, it apparently did not take the critics' arguments very seriously. Secretary of State Dean Rusk and Deputy Defense Secretary Cyrus Vance attempted to emphasize the distinction between "poison gas" made notorious in World War I and the "riot control agents" being used in Vietnam—a distinction which was to be used frequently by other U.S. spokesmen. When President Johnson went before the news media on April 1, 1965, he chose to downplay the significance of the whole affair, agreeing with Senator Fulbright that "somebody was making a mountain out of a molehill." Police-type actions of this sort, Johnson asserted, were not the Commander-in-Chief's business:

> Now I knew nothing about the gas. No one told me that the South Vietnamese were going to use any tear gas any more than they told me that they were going to shoot this fellow that left the bomb in his car in front of our embassy, but there is no reason why they should.[3]

Johnson perceived opposition to chemical weapons use in Vietnam as opposition to the whole U.S. presence in Vietnam—which was unfair at that time, since there were many individuals who supported the U.S. effort in Vietnam but who were horrified at the thought of "gas warfare." The primary thrust of Johnson's comments was to defend the U.S. effort. He chose to ignore the arms control implications of chemical weapons use in Vietnam, preferring to question his critics' concern for saving American lives. As reflected in choices and actions, the potential threat from the spread of chemical and biological weapons to U.S. national security was deemed insignificant. We can find no evidence, however, that the trade-off between this threat and the marginal military utility of chemical weapons use in Vietnam was ever seriously confronted.

Despite the criticism and protest from the general public, many members of the scientific community, some members of Congress, and foreign governments during the period 1965–67, the use of both herbicides and riot control agents in Vietnam steadily escalated. There was simply no input from these groups into the military channels which maintained and guarded a virtual monopoly on decision-making authority over the use of chemical agents in Vietnam. Although there was opposition to the use of these agents in Vietnam within the Executive Branch, few if any officials who had easy access to the President and his closest advisors either shared opposition to the use of chemical weapons in Vietnam, or opposed them strongly enough to be willing to take on the formidable advocates of chemical weapons. The State Department and ACDA, two agencies that might have been expected to challenge the use of chemical weapons on diplomatic or arms control grounds, did not. The point at which such considerations should have been introduced, of course, was before the chemicals had actually

[2] *Congressional Record,* Vol 111, Part 5 (March 25, 1965), p. 6077.

[3] *Public Papers of the Presidents of the United States: Lyndon B. Johnson, 1965, Book 1* (Washington, D.C.: U.S. Government Printing Office, 1966), pp. 371–372.

been used, when there was still a possibility of erecting "sharp and clear defining lines against the use of a given weapon," to use the Bundy phrase quoted earlier. But once the sharp chemicals/no chemicals issue had been blurred into a question of more or less, the opportunity for civilian control over the use of chemical agents in military operations had passed.

B. Case 2: Abortive Attempts at CBW Control, 1967–68

So long as the CBW issue facing the U.S. Government was the question of the use of chemical agents in Vietnam—a question which, as we have seen had been largely reduced to a matter of military tactics —it could be bottled up in military channels, virtually impregnable to outside criticism. Although this criticism had little direct effect on the use of chemicals in Vietnam, it did succeed in raising questions about the total U.S. CBW program, questions that otherwise might not have come up. Several agencies in the Executive Branch were led to study various aspects of that program in the years 1967–68, often drawing highly critical conclusions. Because of the inherent features of Lyndon Johnson's style of decision-making, however, these studies went virtually unnoticed until the President's decision to take himself out of the 1968 election. An effort to seriously revise U.S. CBW policy was hastily mounted in the months thereafter, but was cut short by the Soviet invasion of Czechoslovakia. A promising start had been made, however, and the groundwork laid for CBW control in the following year.

1. CBW Studies in the Executive Branch

Three factors were primarily responsible for the increased level of interest in CBW within the Executive Branch. The first of these concerned the Army's plans to test live biological agents in the central Pacific, plans which came to the attention of the President's Science Advisory Council (PSAC). Worried over the possibilities should some of these agents escape from the test area to cause an epidemic of some exotic disease, PSAC hoped to dissuade the Army from conducting the tests. It thus drew up a list of questions challenging the Army's quarantine procedures for the test and submitted it to the Chemical Corps. The Army conceded that the PSAC objections were valid and commissioned the Smithsonian Institution to do an ecological survey of the area to find a suitably isolated testing site for the Army. Upon completion of that survey some two years later, the Army reported back to PSAC that the quarantine problem had been solved and began its testing. While the incident never claimed high-level attention, it did apparently raise questions about the relative uncontrollability of biological weapons.

The second factor was the necessity to respond to international criticism of the use of chemical agents in Vietnam. This issue was the subject of intense debate during the 1966 session of the U.N. General Assembly. Opening the attack on the U.S., the Hungarian Ambassador charged that the U.S. Government was waging chemical warfare against the Vietnamese people contrary to accepted practices of international law, comparing American actions to Italy's use of gas against Ethiopia in 1935–36 and to the use of gas in Nazi death camps. The U.S. representative, ACDA Director William C. Foster, answered the charge, asserting that "the Geneva Protocol does not apply to all gases, and it certainly does not prohibit the use of simple tear gas where necessary to avoid injury to innocent persons." Moreover, he argued that herbicides "are not bacteriological weapons, nor is their use contrary to international law."

The constant pressure to prepare formal responses to attacks on U.S. actions in Vietnam kept the Arms Control and Disarmament Agency working continuously on problems of chemical and biological weapons control. The major burden of preparing responses to U.N. or Eighteen Nation Disarmament Committee criticism fell to ACDA's Office of the General Counsel. This office investigated the history of the Geneva Protocol, its intended scope, its intended meaning, and the evolution of international legal opinion regarding the use of chemical and biological weapons in war. The same staff also began studies of the technical aspects of CBW control, anticipating the problem of finding new arms control topics to bring before the Eighteen Nation Disarmament Committee following the hoped-for conclusion of the Nuclear Nonproliferation Treaty.

Pronouncements of U.S. CBW policy by officials from ACDA and other agencies in international forums led to the third factor stimulating Executive interest in the issue, namely, the uncertainty and anxiety which such statements created in the minds of some members of the Joint Staff of the Joint Chiefs of Staff. Throughout the debates in the U.N. and other forums, U.S. representatives reaffirmed the long-standing American pledge that the U.S. would not be the first to use lethal chemical and biological weapons. But this could lend itself to two different interpretations: did the U.S. renounce first use of all biological weapons, or of *lethal* biologicals only? Naturally, the Joint Chiefs favored the less restrictive interpretation. But they wanted that interpretation to be made official U.S. policy on the subject, and they certainly didn't want State or

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ACDA spokesmen making rash statements in international debates that would unduly restrict their freedom. Hence, early in 1967 they sent a memorandum to Secretary of Defense McNamara requesting a "clarification" of U.S. CBW policy, expecting, of course, that it would be on their terms.

McNamara, who was by this time consumed with Vietnam and fighting the Joint Chiefs on a number of other fronts, attempted to put off yet another confrontation by forwarding the memo to Secretary Rusk, asking for State's opinion on the matter. Rusk referred the issue to the Bureau of Politico-Military Affairs, where it languished for the next fourteen months awaiting action. Insoluable intradepartmental conflict was the cause of State's paralysis on the issue, with the Bureau of East Asian Affairs and the Office of the Legal Advisor lining up against the permissive JCS position and the Bureau of Politico-Military Affairs generally in favor. In its role as advisor to the State Department on arms control matters, the Office of the General Counsel of ACDA also entered the conflict, supporting a restrictive U.S. policy. No action was taken on the matter until after the 1968 elections, when it was referred back to the Department of Defense for disposition by the incoming Administration.

Meanwhile, McNamara had also commissioned the Office of Systems Analysis to evaluate the merits of chemical and biological weapons. The SA study was highly critical of biological weapons, noting that lethal biological weapons—designed to kill enemy populations—were of questionable reliability and were redundant, given the existence of nuclear weapons designed to do the same thing. Furthermore, lethal biological weapons could not be used as counterforce weapons, thus allowing affected target populations to launch retaliatory strikes. The SA report did, however, support the need for a retaliatory lethal chemical warfare capability, largely on the grounds that it deterred the use of such weapons by enemy forces.

Simultaneously, the Office of the Director of Defense Research and Engineering (DDR&E) also made a contribution to the CBW study process. This study, which focused on the technical requirements of reliability, controllability, and feasibility of biological weapons, concluded that such weapons were relatively ineffective in their existing state of development. They could be perfected as reliable, usable weapons, DDR&E noted. But such development would be expensive, time-consuming, and of only marginal impact on the overall strategic balance between the U.S. and the Soviet Union.

During the same period, Drs. Matthew Meselson and John Edsall of Harvard drafted an open letter to the President calling for the immediate cessation of the use of chemical weapons in Vietnam. The letter was eventually signed by over 5,000 U.S. scientists. Concurrently, DDR&E commissioned a study of the environmental consequences of herbicide use in Vietnam by the Midwest Research Institute. This study and others like it were probably part of a larger review of U.S. CBW policies being conducted by the Pentagon for possible use in either the Fiscal Year 1968 or 1969 Force Posture Statements.

Thus, in late 1967, the research efforts underway in Systems Analysis, ACDA, and DDR&E all contributed to a growing movement developing within the U.S. Government for some sort of U.S. initiative at CBW control. Despite this research and the growing criticism of the use of chemical agents in Vietnam, no one in the inner circle of Presidential advisors considered chemical and biological weapons a priority issue. In the first few months of 1968, North Korea's seizure of the Navy spy ship *Pueblo*, the Tet offensive, and the Army's request for 206,000 more troops for Vietnam were the President's major concerns. Under the Johnson system of decision-making, the CBW issue would not come to the President until his principal advisors had already agreed upon a position or, alternatively, until some senior advisor felt so strongly that he was willing to pay the price to raise it alone. But Johnson's advisors had not reached an agreement on CBW—if indeed they had even considered the issue—and none of them felt strongly enough about the matter to tie himself to it. In early 1968, then, it looked as if the momentum for CBW control had run into a stone wall.

2. The "Peace Legacy" Campaign

In March, however, two fortuitous circumstances changed this situation dramatically. The first of these was the Dugway Proving Grounds incident. On March 13, an aircraft equipped with two spray tanks filled with a lethal nerve agent made a low level "attack" on a test grid at the Utah site. There was a malfunction in one of the tanks, causing some of the agent to be released well above its intended releasing altitude. Strong winds carried the agent to neighboring ranches, and ultimately over 6,000 sheep died. Public response to the accident was delayed, in part because of the relative remoteness of the accident site, and in part because of the apparently willful efforts of the Army, the State of Utah, and the residents of the area to keep the complete story of the accident from reaching the news media. When reports did reach the public, the incident received widespread attention. On March 21, Senator Frank E. Moss released a fact sheet revealing the details of the test. By the end of the month, several publications, including the *New York Times, Science, Chemical and Engineering News,* and the *Washington Post,* had carried stories or editorials appealing for more information about the incident and suggesting that closer attention be given to the

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entire range of U.S. chemical and biological weapons programs in general. These sentiments were heartily endorsed by members of Congress.

The second factor which brought attention to the CBW issue in 1968 occurred on March 31, when President Johnson announced that he would not seek re-election. Although Johnson's statement diverted Congressional attention from the CBW issue, it led many members of the Executive Branch to focus on it. Johnson let it be known that he wished to leave a "peace legacy" behind him to ease the judgment of history on his Administration. The Vietnam peace talks and the attempt to begin the Strategic Arms Limitation Talks were part of the peace legacy campaign. So, too, was the signing of the Nuclear Nonproliferation Treaty. And because work on CBW had already begun—in the form of the several studies prepared by ACDA, DDR&E, Systems Analysis, and others—but had thus far achieved nothing, chemical and biological weapons were also considered a policy area "ripe for doing."

As a result, a group of individuals from various agencies met in Washington during the summer of 1968 to consider a number of options regarding chemical and biological weapons. Their discussions were based in large part on papers written during the preceding year in the Pentagon and ACDA, and were directed towards providing President Johnson with a statement of policy that he could enunciate as part of the larger "peace legacy" effort.

The group, which included officials from OSD, State, ACDA, and the JCS, agreed on a statement of policy sometime during the late summer. Had the statement been endorsed by the President, it would have virtually disbanded the U.S. biological weapons program and restricted U.S. forces' first use of chemical weapons to riot control agents and herbicides. Before the policy proposal could be signed and presented to senior officials, however, the Soviet Union invaded Czechoslovakia.

With this one Soviet action, practically all of the hastily built structure of the peace legacy collapsed. The Soviet invasion forced the immediate postponement of the scheduled opening of the Strategic Arms Limitation Talks, while also delaying Senate ratification of the Nuclear Nonproliferation Treaty. The invasion of Czechoslovakia would have been damaging to arms control initiatives under any administration, but under the Johnson Administration it was devastating. The Joint Chiefs of Staff—never enthusiastic about arms control—were given a powerful argument that made it virtually impossible to take arms control measures to the President for decision. And because of their unique position in all military and arms control matters under Johnson, the Joint Chiefs were able to make their arguments stick.

Thus, the Joint Chiefs nullified whatever agreements they had previously reached within the Executive Branch on arms control and future military posture, arguing that these were matters that should properly be reserved for the incoming administration to decide. Furthermore, the Joint Chiefs—previously willing to wrestle with the civilian leadership in the Pentagon only on such major issues as the conduct of the Vietnam War, the procurement of ballistic missile defense, and the conclusion of a comprehensive nuclear test ban treaty —were now willing to "go to the mat" on every conceivable policy issue. Arms control advocates were told by White House aides to save their energy; the President would fight with the Chiefs only on the conduct of the Vietnam War.

With all hope of involving the President in discussions of chemical and biological weapons control now destroyed, ACDA turned to its General Advisory Committee. This committee, appointed by the President "to advise the Director on arms control and disarmament policy and activities," was presented with a proposal that would make the U.S. ratification of the 1925 Geneva Protocol a priority issue for the incoming Director of the Agency under the next administration. Retiring Director William C. Foster argued before the autumn meeting of the Committee that early ratification of the Geneva Protocol would reduce the likelihood of chemical and biological warfare, reinforcing the existing barrier between these and other weapons; aid in developing a uniform interpretation of the Protocol; and improve the position of the United States in the upcoming discussions of chemical and biological warfare at the United Nations and the Eighteen Nation Disarmament Committee. Much to the surprise of the ACDA personnel involved, the General Advisory Committee approved the proposal to seek ratification of the Geneva Protocol.

Despite the frustration of CBW control initiatives during the Johnson Administration, it is clear that these efforts were not entirely in vain. Enough positive action toward CBW control had been taken to create a legacy of interest in a fundamental reevaluation of U.S. policy. The issue had never been resolved, only temporarily postponed. The Joint Chiefs' request for a CBW policy was still pending; ACDA's General Advisory Committee was still on record as supporting U.S. ratification of the Geneva Protocol; the U.S. Government was still committed to sending at least one delegate to the U.N. Secretary-General's committee of experts on chemical and biological warfare. All of these internal forces guaranteed that the incoming Nixon Administration would have to deal with the problem of U.S. CBW programs and policies. Indeed, without the foundation laid by these efforts in 1967 and 1968, Nixon's 1969 decision would have been far more difficult, if at all possible.

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C. Case 3: CBW Policy-Making Under the Nixon Administration, 1969–72

Efforts to review U.S. CBW policy finally succeeded in 1969 under President Nixon. A new interagency study on the subject was commissioned, leading to a Presidential decision which substantially trimmed the U.S. CBW program. Implementation of the decision, however, ran into several difficulties, among them the inability of the NSC staff to co-ordinate efforts to demilitarize biological warfare laboratories, and a dispute over the scope of the Geneva Protocol which delayed ratification of that treaty for over four years.

The election of President Nixon profoundly affected the structure and content of U.S. national security policy-making. The informal procedures of the Kennedy-Johnson years were quickly replaced by formal, regular procedures in a reinvigorated National Security Council system. Nixon's NSC system created or modified existing mechanisms for gathering information and communicating Presidential decisions to the national security establishment. National Security Study Memoranda (NSSM's) were commissioned by the President through Henry Kissinger, Assistant for National Security Affairs. NSSM's called for a statement of all available options on a given issue with the attendant pro's and con's of each. These lengthy interdepartmental studies were specifically designed to permit statements of exception or differences of interpretation of agreed evidence so that the President and his staff could make choices with greater understanding of internal U.S. Government differences of opinion. Decisions reached by the President were communicated to the agencies responsible for implementing them via National Security Decision Memoranda (NSDM's).

1. The Origins of NSSM 59

On May 28, 1969, a NSSM was commissioned by the National Security Council for the purpose of developing policy options regarding chemical and biological weapons. This NSSM, Number 59, was ordered in response to a wide variety of public, Congressional, and Executive Branch pressures.

Following the 1968 Dugway Proving Grounds accident, efforts to stimulate a thorough investigation of the U.S. CBW program were unsuccessful until NBC Television's "First Tuesday" broadcast of February 4, 1969. Among the millions of shocked viewers was Congressman Richard D. McCarthy, whose anger and indignation led him to arrange quickly for a Pentagon briefing on U.S. CBW policies and programs. This March 4 briefing "raised more questions than it answered," according to Congressman Kenneth Hechler. Soon, more Congressional hearings were held: on the Army's plans to dispose of chemical munitions at sea, on the Dugway incident, and on U.S. CBW policy in general.

While Congress was preparing itself for investigations into U.S. CBW programs through voluminous correspondence with the Executive Branch, Secretary of Defense Melvin Laird was requesting the National Security Council to undertake a study on the same subject. Laird's memorandum asking for a CBW NSSM reached Kissinger sometime in late April, 1969. There were several probable motives for this request. In part, it was a direct response to public and Congressional opinion pressure for action on the issue. Laird may also have calculated that a dramatic cut in U.S. CBW programs might help to win Congress' approval of the Safeguard ABM system.

But the strongest pressure underlying the request was the continued interest of the Joint Staff of the Joint Chiefs of Staff in a definitive (and hopefully permissive) policy on the use of chemical and biological weapons. The installation of Laird in the Pentagon and Nixon in the White House suggested to the Chiefs that their views on increased flexibility in the use of chemical and biological weapons might get a favorable hearing. Shortly after moving into the Pentagon, in fact, Laird had been asked by Rear Admiral William E. Lemos (Director of Policy, Plans, and NSC Affairs in the Office of the Assistant Secretary of Defense for International Security Affairs) to help resolve the problem, and this request probably figured prominently in the drafting of the Laird-to-Kissinger memorandum.

Independently, the NSC staff had also prepared a "CBW package" for Kissinger's use. The NSC staff, several of whom had been personally involved in the abortive 1968 attempt to develop a chemical and biological weapons policy, redid the "package" to include Laird's memorandum. Moreover, it is reported that Kissinger's good friend and former colleague from Harvard, Dr. Matthew Meselson, was pressing or encouraging Kissinger to look at CBW policies and programs.

2. NSSM 59 At Work

NSSM 59 was prepared over the summer of 1969. Three different interdepartmental groups (IG's) were organized to work on the study. The first was composed of representatives of the intelligence community and was assigned the task of evaluating foreign chemical and biological warfare capabilities. This IG was cautioned to establish differences between possible, probable, and confirmed capabilities. The second IG, initially manned largely by representatives of the Joint Staff, was charged with examining military options open to

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the President regarding chemical and biological weapons employment. Emphasis in this assignment was placed on establishing the military utility of chemical and biological weapons. Representatives of the diplomatic establishment assumed the third IG's task of exploring the diplomatic options open to the President.

The NSC staff also went to the Office of Science and Technology in the White House to obtain independent technical assessment of chemical and biological weapons. The report was to be used as both a primer for the NSC staff and as an additional paper for consideration by Kissinger's NSC Review Group in preparation for the formal National Security Council meeting at which options from each of the three IG's would be presented to the President. The Office of Science and Technology arranged for a panel of members from the President's Science Advisory Committee to prepare this report. The PSAC panel assembled in late June, and it quickly got down to business. Questionnaires were sent to all interested and relevant agencies regarding chemical and biological weapons technology, programs, and policy options. The panel also held hearings at which the Joint Chiefs of Staff, DDR&E, ACDA, the intelligence agencies, and Dr. Meselson each made presentations. By mid-July, the PSAC panel was ready to write its report.

At the time the NSSM 59 IG's and the PSAC panel were writing their papers, two sets of events were breaking in the international arena that had a bearing on the NSSM study. On July 10, Britain submitted a Draft Convention on Biological Warfare to the Eighteen Nation Disarmament Committee. The initial U.S. response was cautious, merely welcoming the draft as an interesting proposal, yet reserving the right to either endorse or reject the concept of a separate convention on biological weapons only. The need for a U.S. position on the Draft Convention was placed on the agenda of the diplomatic interdepartmental group. Then on July 18, the *Wall Street Journal* reported the leak of some nerve agents from munitions being stored on Okinawa. Response was immediate and dramatic. Anti-American riots broke out in Japan and on Okinawa, complicating negotiations for the return of the island to Japanese control. Ten days later, Secretary Laird made a strong statement defending both chemical and biological weapons as useful systems to deter other nations from using such weapons against U.S. forces. But Laird's defense of CBW drew sharp criticism from Congressman McCarthy, who accused Laird of prejudging the outcome of NSSM-59. McCarthy's sentiments were quietly echoed throughout the interdepartmental groups working on the study.

In early August, the PSAC panel completed its report and sent it to the NSC Review Group. A copy was personally delivered by members of the panel to Deputy Defense Secretary David Packard, who served on both the NSC Undersecretaries' Committee and the Review Group. Packard accepted the PSAC report, assuring his visitors that he would read it carefully.

The PSAC paper concluded that chemical agents were considerably more reliable, predictable, and controllable in the field than biological agents. Chemical agents were also judged to be more amenable to stockpiling. The report further noted that biological agents could pose serious long-term dangers if released, because of natural mutation processes and the possibility of a known pathogen mutating into an unknown, unpredictable, and uncontrollable one. PSAC also expressed concern that a biological agent released in the field might establish a new source of infection out of which a long-term public health hazard would result, long after the military utility of such agents had been exhausted. The report recommended that the U.S. give up its biological weapons capability, while continuing research and development of toxin weapons (those using the poisonous chemical byproducts of bacteria). PSAC also suggested that the U.S. ratify the 1925 Geneva Protocol as soon as possible and undertake additional studies to evaluate the military utility and long-term consequences of herbicide and riot control agent use.

Packard also received two other reports at about the same time. One, prepared by the Office of Systems Analysis, strongly criticized biological weapons' military utility, while also denigrating their political value as instruments of deterrence or of coercive diplomacy. The other report was a draft version of the military options Interdepartmental Group paper, prepared largely in the Joint Chiefs of Staff and the State Department's Bureau of Politico-Military Affairs.

Packard read the papers and became particularly concerned over the discrepancies between the PSAC-Systems Analysis view of the reliability and controllability of biological weapons in the field and the Joint Chiefs' considerably more sanguine opinion on the matter. Packard took all the papers to Laird, who read them, ordered the military options paper withdrawn from the JCS, and formally requested a delay in the National Security Council's consideration of NSSM 59 from September until late October or November. In addition, Laird transferred responsibility for the Defense Department's contribution to the military options paper to the Office of International Security Affairs (ISA).

These first products of the NSSM study process on CBW were highly influential in determining the course of U.S. policy, for it is apparent that the critical conclusions of the PSAC and Systems Analysis papers left their mark in the upper echelons of

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the Pentagon. Laird's publicly-expressed August views on CBW, made after this reading of the papers, were significantly different from his statements of less than a month earlier, after the Okinawa incident. Endorsing a compromise amendment to the Senate's Fiscal Year 1970 Authorization for Military Procurement that required the Pentagon to submit detailed reports to the Congress on its CBW programs and expenditures, Laird commented:

> I am in agreement with the goals of the new amendment . . . I believe this revised amendment will allow us to maintain our chemical warfare deterrent and our biological *research program,* both of which are essential to national security [emphasis added].[4]

Secretary Laird's approval, with its implicit downgrading of the value of the U.S. biological warfare capability, figured prominently in the Senate debate, and the amendment was adopted by a vote of 91–0.

The postponement of the formal NSC meeting on NSSM 59 allowed time to iron out differences of opinion regarding intelligence estimates of foreign capabilities, particularly Soviet capabilities, in chemical and biological warfare. It also allowed extra time to refine arguments in favor of resubmitting the Geneva Protocol to the Senate for its advice and consent, and for supporting the British initiative with regard to biological weapons control.

The reassignment of the Defense Department's contribution to the NSSM 59 military options IG from the Joint Chiefs of Staff to the Office of International Security Affairs resulted in a dramatic shift in the tenor of the Pentagon's contribution. The original military options paper prepared by the JCS argued for the maintenance of existing biological warfare capabilities and for the expansion of the U.S. chemical weapons program. It also called for greater flexibility in the use of chemical weapons, including first use of lethal chemicals, while ignoring the technical drawbacks of biological weapons noted in the PSAC paper. The revised ISA submission, by contrast, virtually repeated the findings and recommendations of the PSAC report. ISA severely criticized biological weapons on technical grounds and urged that they be renounced. And while ISA advocated the maintenance of a chemical weapons arsenal, the revised Defense Department submission to the military options IG urged renunciation of the first use of lethal and incapacitating chemicals.

How had the Defense Department come to advocate such stringent CBW control measures? ISA had practically plagiarized the PSAC report, in part because it was already overburdened with paperwork associated with the ABM debate, studies of U.S. options regarding ratification of the Nuclear Nonproliferation Treaty, and the Vietnamization program. After receiving the Office of Science and Technology's permission to incorporate some of the PSAC report into its own paper, ISA apparently took the path of least resistance and borrowed quite a sizable chunk of the earlier paper. ISA may also have turned to PSAC in an effort to please Deputy Defense Secretary Packard and avoid prolonged debates between the new, conservative political appointees at the top levels of ISA and the carry-over, working-level staff. The PSAC report, already known to have been well received by Packard, may simply have been the least costly route to take in connection with the preparation of a new military options paper. Thus, the military's preference for a permissive CBW policy was largely shut out of the NSSM study process, forcing the Joint Chiefs to stake their hopes on a "last stand" at the November NSC meeting which would consider the issue.

During the summer and fall of 1969, then, work on NSSM 59 neared its conclusion, as the interdepartmental groups studying the issue gathered evidence, proposed options, and refined their arguments. The diplomatic IG concentrated on the high diplomatic costs of existing U.S. CBW policy. The intelligence IG, somewhat surprisingly, could find no solid evidence of significant Soviet or Chinese BW programs. And the military options IG, as noted above, was also sharply critical of existing CBW policies. As the November NSC meeting at which NSSM 59 would be discussed approached, the outlook for CBW control was bright. But ultimately, of course, it would be up to President Nixon to decide.

3. The President Decides

The National Security Council convened on November 18, 1969, to consider U.S. chemical and biological weapons policy. In addition to the statutory members of the Council, General Earle Wheeler, chairman of the Joint Chiefs of Staff, as well as the Directors of the CIA and ACDA and the Undersecretary of State were also present. A list of five options was presented to the President, ranging from a vigorous development of all aspects of chemical and biological weapons to a total unilateral renunciation of both chemical and biological weapons.

General Wheeler presented the views of the Joint Chiefs, who strongly favored a policy of keeping all military options open on chemical weapons while renouncing only the first use of biological weapons. But the JCS were alone. All of the other agencies represented at the meeting argued against retention of an offensive biological warfare capability as being redundant, unreliable, and uncontrollable,

[4] "Memorandum for Correspondents," *Congressional Record,* Vol 115, Part 17, (August 11, 1969), p. 23223.

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especially in comparison with nuclear weapons. A consensus quickly developed in favor of eliminating U.S. biological weapons.

The remainder of the meeting was devoted to a consideration of options pertaining to the use of chemical weapons, ratification of the Geneva Protocol, and support for the British Draft Convention on Biological Weapons. In each case, the Joint Chiefs argued for the maintenance of all options, and barring that, for the renunciation of only the first use of lethal agents. The Chiefs opposed ratification of the Geneva Protocol, on the grounds that it would set a precedent for no-first-use agreements on nuclear weapons, and argued against the idea of a separate biological weapons convention in the absence of strict verification procedures.

The civilians at the meeting differed with the Joint Chiefs on almost every point. ACDA and State emphasized the need for ratification of the Geneva Protocol. Not only was continuing U.S. nonratification of the Protocol embarrassing in international circles, they argued, but it was also creating incentives for other countries to develop their own chemical and biological warfare capabilities, thus endangering U.S. security. Moreover, while the juridical scope of the Protocol was ambiguous with regard to riot control agents and herbicides, it was clear that incapacitating chemical agents were prohibited. Therefore, the decision to seek ratification of the Geneva Protocol necessarily foreclosed the option of using incapacitating chemical agents first. Negotiation of a biological weapons convention was favored insofar as the U.S. Government could convince other governments to forego what was perceived to be a marginal weapons system.

General Wheeler's only success at the meeting was the preservation of the option of first use of riot control agents and herbicides in future conflicts, as well as their continuing use in Vietnam. But the Joint Chiefs were on the short side of the argument in three major policy areas—the renunciation of biological weapons, the renunciation of the first use of lethal and incapacitating chemical agents, and the resubmission of the Geneva Protocol to the Senate for ratification.

In the next several days, President Nixon weighed the evidence and the arguments generated by the NSSM process, and on November 25, 1969, he announced his decision. To a large degree, it reflected the consensus developed at the NSC meeting. Biological weapons were renounced, as well as the first use of lethal and incapacitating chemicals; the 1925 Geneva Protocol was to be resubmitted to the Senate; U.S. biological warfare agents and munitions were to be destroyed and production facilities converted to peaceful purposes; and the U.S. would support efforts to negotiate a biological weapons convention.

Reaction to the President's statement was generally favorable. Domestic critics of the U.S. CBW program, such as Congressman McCarthy, praised the decision. Editorial opinion, for the most part, supported the decision. International reaction was also laudatory, although somewhat muted due to the absence of any reference to a cessation of the use of chemical agents in Vietnam.[5] International dissatisfaction with what was considered to be a major omission from the President's statement surfaced at the 1969 U.N. General Assembly in November and December of 1969. The U.N. adopted, by a vote of 80–3 (with 36 abstentions), a Swedish resolution interpreting the Geneva Protocol as prohibiting the use of all chemical agents in warfare, including riot control agents and herbicides.

Another issue which dampened enthusiasm for the President's decision was the ambiguity surrounding the classification of toxins, the poisonous chemical by-products of bacteria. The primary issue was one of definition—were toxins biological agents and therefore banned, or chemical agents and therefore permitted? The military services understood toxins to be excluded from the President's instructions to destroy stockpiles and convert production facilities because they were technically chemical agents. Hence, over the vigorous protests of ACDA and the State Department, the Defense Department planned to resume production of toxins at its Pine Bluff Arsenal. Secretary Laird defended this classification of toxins, noting:

> . . . toxins are in the field of chemical warfare. This is the position taken by the 14 nation commission that advised the Secretary-General of the U.N. concerning chemical warfare and the whole field of biological warfare.[6]

In order to deal with the "slip up" of the National Security Council staff which had neglected to include toxins on the agenda of the November 18 NSC meeting, a new interagency study was commissioned to resolve the toxin issue. The Departments of State and Defense, the Joint Chiefs of Staff, ACDA, the Office of Science and Technology, and the President's Science Advisory Committee all participated in the review. Dr. Matthew Meselson also submitted a paper directly to Kissinger at the latter's request.

The arguments in favor of retaining toxins were essentially economic. Toxins are extraordinarily poisonous substances; hence, a very minute (and

[5]Expectations of such a move had been raised by the October 29 release of a report by Presidential Science Advisor Dr. Lee Dubridge on the effects of herbicide use on the rate of birth defects in Vietnam. Dubridge had announced that use of the herbicide 2, 4, 5-T would be restricted to sparsely populated regions of Vietnam only.

[6]U.S. Congress, House Committee on Foreign Affairs, *Chemical-Biological Warfare: U.S. Policies and International Effects* (Washington, D.C.: U.S. Government Printing Office, 1970), p. 203.

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inexpensive) quantity can cause large numbers of casualties. The arguments opposing retentions were essentially political. Since toxins are the by-products of bacteria, the victims of a synthetic toxin attack would suffer the same symptoms as the victims of a bacteriological toxin attack. It would thus appear, on the surface at least, that the U.S. was engaging in illegal bacteriological warfare. In the end, toxins' high cost-effectiveness was outweighed by the political costs of retaining a capability indistinguishable from the biological weapons capability that had just been renounced. Thus, in February, 1970, the White House released a statement placing toxins in the category of proscribed biological weapons.

4. Implementation

In early 1970 many people expected that the implementation of the President's decisions would be swift. But several snags soon developed, resulting in a delay in the final destruction of the U.S. biological weapons stockpiles until October of 1972. The time lag can be attributed to several factors. First, there was some foot-dragging on the part of a few individuals closely associated with the biological weapons program who resisted efforts to eliminate all biological weapons. Second, the newly formed Council on Environmental Quality, which came into being on January 1, 1970, took several months to establish procedures for filing the environmental impact statements which were required before the stockpiles could be destroyed. Third, the Public Health Service was not particularly helpful in accelerating the identification of biological agents to be destroyed or in preparing its personnel to assist the demilitarization program. Finally, state and county officials had to be briefed, prepared, and consulted throughout all phases of the demilitarization program.

Several attempts were made by officials in the Office of the Director of Defense Research and Engineering to accelerate the demilitarization program. These efforts failed, however, as the result of a lack of interest on the part of the Secretaries of Defense and HEW, and other departments and agencies nominally concerned with the demilitarization program. Requests to the NSC staff for guidance or assistance in persuading the Public Health Service to speed up its vital preparatory work were in vain. Moreover, Deputy Defense Secretary Packard had considerable difficulty getting Elliot Richardson, the new Secretary of Health, Education, and Welfare, to focus on the issue because Richardson was fully occupied with welfare reform and thus had little time to consider the biological weapons demilitarization program. Lack of high-level attention also figured prominently in the difficulties encountered in converting Pine Bluff Arsenal and Fort Detrick to peaceful purposes. It was not until January 27, 1971, that it was announced that Pine Bluff would become the National Center for Toxicological Research, and it was the following October when the conversion of Fort Detrick into a research facility for the National Cancer Institute was arranged.

Despite the problems encountered in managing the implementation of the President's decisions, by the end of 1972 the United States was effectively out of the biological weapons business. Although there was some limited biological warfare related research being done, the available evidence suggests that no biological weapons research, development, or production was taking place.

Other delays plagued the pledged ratification of the Geneva Protocol. It was not until August 19, 1970—fully nine months after Nixon's November statement—that the Protocol was finally resubmitted to the Senate, a delay which reflected deep internal division within the Executive Branch over the still-thorny issue of the status of riot control agents and herbicides under the treaty. The demands of the Joint Chiefs of Staff for continued authority to use chemical agents in Vietnam had created the need for a mechanism to get the Protocol into the Senate without alienating the Joint Chiefs to the point where they would actively campaign against the treaty. The mechanism developed was the weakest form of reservation that can be attached to an international treaty—a unilateral statement of understanding *not* forwarded to the depository governments. Thus, in his letter of transmittal accompanying the Protocol, President Nixon asked that the Senate agree with the understanding of the Protocol that "it does not prohibit the use in war of riot control agents and chemical herbicides." [7]

Hearings on the Protocol opened on March 4, 1971, with the status of riot control agents and herbicides the number one topic of controversy. Speaking for the Administration, Secretary of State William Rogers went so far as to threaten not to deposit the instrument of ratification with other governments should the Senate adopt a comprehensive interpretation of the Protocol banning the use of riot control agents and herbicides. Other prominent witnesses took the opposing view, among them Dr. Meselson, former Special Assistant for National Security Affairs McGeorge Bundy, and Dr. Donald G. Brennan of the Hudson Institute.

The issue was never fully resolved. The Foreign Relations Committee concluded its hearings and decided to defer making a recommendation to the

[7] "Geneva Protocol on Gases and Bacteriological Warfare Resubmitted to the Senate," *U.S. Department of State Bulletin*, Vol 63, No. 1628 (September 7, 1970), p. 274.

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Senate on the Protocol until the Executive Branch completed its review of the use of riot control agents and herbicides announced in the testimony of Secretary Rogers. Senator Fulbright also wrote to the President in an effort to resolve this dilemma, urging him to reconsider his position on the need to maintain the option of first use of riot control agents and herbicides. Nixon did not reply, however, and action on the Protocol halted.

Meanwhile, Britain's Draft Convention on Biological Weapons, to which President Nixon had pledged his support, became the subject of discussion within the Executive Branch. The Joint Chiefs of Staff initially opposed the conclusion of any international agreement regulating biological weapons. But the Pentagon's Office of International Security Affairs soon pointed out that this position, given President Nixon's pledge, was rather unrealistic. ISA's support for the Draft Convention, however, was less than enthusiastic. It was concerned that the agreement was essentially unverifiable. Moreover, it did not like the precedent that such an agreement would set, worrying that this might become a pattern or model for future arms control agreements.

ACDA took a much more positive view of the Draft Convention. It felt that ISA's worries about bad precedents were unfounded, expressing confidence that future U.S. Governments would consider each arms control measure on its own merits, and would not lock themselves into bad treaties merely on the basis of precedent. Further, ACDA argued that concluding an international treaty on biological weapons would force more disclosure of foreign biological weapons capabilities than had been obtained through a variety of means in the past. Since the United States was already pledged to abide by the Draft Convention, this information would come at no cost to the U.S.

The Convention still had to be worked out at the international bargaining table, however. Events moved slowly until the spring of 1971, when the Soviet Union unexpectedly reversed its previous position and endorsed the concept of a separate agreement covering biological weapons only. That summer, the U.S. and U.S.S.R. submitted a joint draft of a treaty limiting biological weapons. After a considerable amount of compromise and diplomatic maneuvering, this document was hammered into a final version and signed by President Nixon on April 10, 1972.

The Biological Weapons Convention was submitted to the Senate for ratification in August of 1972, but the Foreign Relations Committee refused to act on it, believing the new agreement could be held hostage to administration action extending the prohibitions of the Geneva Protocol to include riot control agents and herbicides. There the matter remained for over two years. In late 1974, a National Academy of Sciences study concluded that it would take 100 years for Vietnam to recover from the ecological damage done by American herbicides. Soon afterward, President Gerald Ford announced that he would not insist that any formal reservation be attached to the Protocol to preserve the United States' right of first use of riot control agents and herbicides. In fact, according to ACDA Director Fred C. Ikle, President Ford "was prepared to renounce most military uses of tear gas and herbicides." That concession was enough to break the Senate logjam. In short order, the Foreign Relations Committee approved both the Geneva Protocol and the Biological Weapons Convention and sent them to the Senate floor, where on December 16, 1974, both agreements received unanimous approval. President Ford added his signature to the treaties on January 22, 1975, thereby making the United States a full partner to the agreement it had been so instrumental in negotiating some fifty years before.

II. ANALYSIS: IMPACT OF ORGANIZATIONAL ARRANGEMENTS ON U.S. DECISIONS AND ACTIONS

A. Case 1: The Use of Chemical Agents in Vietnam, 1962–67

One fact stands out about the impact of organizational arrangements in the actual pattern of use of chemical agents in Vietnam: the overriding influence of military interests and considerations to the exclusion of virtually all other concerns. Other groups and agencies were either unable or unwilling to challenge the Pentagon on the issue; hence the military was able to use these chemicals almost at will. Over time, the character of that use changed significantly: the isolated, scattered employment of these agents in exceptional circumstances became widespread and systematic, part of routine procedures, reinforced and justified by the information flowing from the field.

1. Agency Interests

Clearly, the Army Chemical Corps was the prime mover behind the decision to deploy chemical agents to Vietnam. Always struggling for their organization's life and for an increase in its status within the military establishment, Chemical Corps

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officers saw clearly that their own careers would be enhanced by the effective use in Vietnam of weapons under their control. Because these weapons were, by military standards, exceedingly cheap, the Chemical Corps' proposals met little opposition from the rest of the Army, or the other Services, since they did not threaten to eat up budgetary funds which might have been used for other purposes. At the same time, of course, the Joint Chiefs were interested in any program which promised to reduce casualties and to increase the effectiveness of the American military intervention in Vietnam.

Had it not been for the Chemical Corps, or some other such separate unit within the Army concerned with the development of chemical and biological weapons, it is doubtful whether the Army as a whole would have looked for new weapons of this kind. It is noteworthy, for example, that it was not until much later in the Vietnam conflict that the Army proposed to use the special anti-personnel weapons that had been developed primarily for use on the European plain. It appears that, unlike chemical agents, these weapons lacked an organizational base and therefore did not get pushed forward as riot control agents and herbicides were.

Of course, it was only after chemical agents had actually been used in Vietnam that the military's authority over them became virtually impregnable. The State Department had an opportunity to oppose the chemicals by injecting other considerations into the discussion. But State passed up its chance, in part because State Department officials were well aware that one prerequisite for promotion within the Foreign Service is an ability to get along with the military and to find ways to accommodate military concerns with diplomatic interests. Hence, although South Vietnamese requests for the chemicals were channeled through AID and were thus nominally under State's jurisdiction, real control over the use of chemical agents passed to the military. "When the crunch comes," said one official familiar with the issue, "the Pentagon sets the requirements and State finds the reasons why it's legal." It also seems likely that most State Department officials simply did not appreciate the broader implications of the introduction of chemical agents into the war in Vietnam. ACDA, another agency which conceivably might have offered some resistance to the military's intentions, was at this time only a fledgling organization. Hence it was reluctant to take on the Joint Chiefs on an issue somewhat removed from its primary area of concern and expertise, namely, nuclear weapons.

Other groups were equally uninfluential. The President's Science Advisory Committee was alive and functioning at this time—yet procedures did not call for it to be informed and to have an opportunity to comment on the decision to deploy chemical agents to Vietnam. A few Congressmen protested, but many supported the policy. Criticism also came from the press and from abroad, but this was perceived by policy-makers as part of the opposition to the war in general and discounted accordingly.

2. Information and Options Available

Once a beachhead had been established for the use of chemical agents in Vietnam, it was reinforced by the normal pattern of information flow from the field. The existing organizational procedures for transferring information back from Vietnam limited each organization to reporting on matters within its own concern. Thus, information on military operations tended to remain in military channels, while State Department comments were restricted to diplomatic issues involving the Government of South Vietnam. Obviously, no criticism of the effectiveness of the chemicals or their impact on Vietnamese society was likely to reach Washington in this manner. Through military channels came only reports of success in the use of these weapons, accompanied by requests for increasing shipments. Hence, no alternatives to the continued use of these chemicals emerged.

What was missing in this entire episode were procedures that required an independent civilian technical assessment of the military's proposals and operations, an evaluation which might have come from ACDA, PSAC, an upgraded State Department, Systems Analysis, or a wholly new agency specifically charged with reviewing military operations. These organizations were generally ignored in the decision-making process regarding the use of chemical weapons. But this lack of a critical examination of the military's proposals meant that their assertions of chemical weapons' effectiveness and of their capacity for saving a substantial number of American lives went unchallenged. A critical analysis of that question might have given more weight to diplomatic and legal issues, especially in view of the limited military value of the agents. Later, after herbicides had been used for several years, this same absence of a mechanism for the independent technical assessment of military operations meant that the wider issues involved in the use of those weapons—their impact upon the ecology of Vietnam, for example—could not be raised. Had such considerations been introduced into the decision-making process, it is at least conceivable that the use of such weapons might have been sharply curtailed.

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B. Case 2: Abortive Attempts at CBW Control, 1967–68; and Case 3: CBW Policymaking under the Nixon Administration, 1969–72

Serious reviews of U.S. CBW policy were mounted in both 1968 and 1969, but with widely divergent results. This was not due to changes in the agencies involved or in their interests and objectives, for these remained fairly constant between the two administrations. What did change significantly was the way in which these agencies were coordinated by the structures for decision-making at the highest levels of the government. Hence, a direct comparison of these different structures will be most useful in highlighting the impact of organizational arrangements on U.S. CBW policy-making under the Johnson and Nixon Administrations. Special emphasis will be given to the different procedures for generating information and options in each.

1. Agency Interests

In both 1967 and 1969, the Joint Chiefs of Staff became concerned over statements made by officials of the Department of State and of the Arms Control and Disarmament Agency in the United Nations and in other international forums about American CBW policy, particularly regarding the first use of chemical and biological weapons. To restrain these officials from making rash comments, the Chiefs were forced to seek what they termed a "national policy," under which, presumably, the President or Secretary of State would have directed the officials of the State Department and ACDA to take the positions desired by the Joint Chiefs.

Several motives lay behind the Chiefs' request for such a policy. First, they did not like the idea of the State Department or ACDA unilaterally setting U.S. CBW policy by their statements in international debates—especially when those statements might jeopardize the military's freedom of action. Secondly, the Joint Chiefs were determined to preserve and protect the ongoing use of chemical agents in Vietnam and even, if possible, to expand it. Finally, they hoped to reaffirm the principle of maximum military flexibility—one of the central tenets of the military canon. These concerns remained relatively constant during both the Johnson and Nixon Administrations.

It was not that the Joint Chiefs were particularly fond of chemical and biological weapons themselves. Rather, their consistent support for the programs derived from their tendency to produce unanimous opinions on almost all questions of national security that come before them. During the early McNamara period, the Chiefs discovered that if they did not agree among themselves, the Secretary of Defense would feel free to disregard their advice and choose among various options by himself. Hence, to preserve their influence, the Joint Chiefs found it necessary to develop standard procedures for avoiding internal disagreement. Among these was deferral to the service or agency involved when only its programs or operations were concerned. Thus the Army, for example, would not question the bombing programs in Vietnam, while the Navy and the Air Force did not challenge ground operations, and so forth. Budgetary matters were handled in the same way: no service would criticize the proposals of the other services unless those proposals were extremely costly. But in a program as small as the chemical and biological weapons program, no service could see a threat to its own budget from the proposals of the Army Chemical Corps. Hence, support for the CBW programs was almost automatic.

The interests of the other elements of the government were also not appreciably different between the two administrations. The State Department continued to be concerned about diplomatic issues and in avoiding confrontations with the military, particularly on questions of military expertise. Civilians in the Pentagon, especially those in Systems Analysis and DDR&E, remained suspicious of the effectiveness of chemical and biological weapons, particularly the latter. And while the arms control enthusiasm of the Office of International Security Affairs declined significantly as the holdovers from the Johnson Administration gradually left during the first year of the Nixon Administration, ISA was interested in CBW as a possible means of buying the Congress' approval of the ABM in 1969. It also sought to preserve and protect the use of riot control agents and herbicides in Vietnam.

ACDA was interested in CBW as a possible topic of discussion at the Eighteen Nation Disarmament Committee in Geneva once the Nuclear Nonproliferation Treaty had been successfully negotiated. A U.S. CBW initiative, ACDA hoped, would blunt international criticism of the U.S. CBW program (which ACDA was generally forced to bear), would demonstrate U.S. leadership in multilateral arms control forums, and would keep the momentum for arms control going, as pledged in the NPT's call for further negotiations towards general and complete disarmament. Moreover, in 1969 ACDA looked on CBW as a preparation for the upcoming SALT talks with the Soviet Union. CBW was a means of increasing ACDA's contact and familiarity with the Disarmament Affairs section of the Soviet Foreign Ministry, as well as a chance to demonstrate ACDA's toughness and ability to stand up to the Joint Chiefs.

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The Office of Science and Technology had several interests that closely paralleled those of the Arms Control and Disarmament Agency and DDR&E. OST had severe doubts about the technical qualities of biological agents for use as military weapons. It was also concerned about the repeated nonuse of OST and the President's Science Advisory Committee studies. Chemical and biological weapons was one area in which PSAC and OST had been active in the past and had maintained considerable expertise. Application of this knowledge would aid the efforts to keep PSAC and OST bureaucratically alive.

But while the interests and considerations of the various agencies working on the CBW issues were generally constant between the Johnson and Nixon Administrations, the procedures for coordinating and centrally managing their several efforts were dramatically different—especially with regard to the generation of information and options for the consideration of the President and his chief advisors.

2. Information

Under the Johnson Administration, information on questions relating to chemical and biological weapons would have been developed either by the intelligence community or by the military services. The military, particularly the Chemical Corps, would state the military value of various chemical and biological weapons. The question of foreign CBW capabilities would be left to the intelligence organizations which—operating under their own traditional procedures of consensus and of acceptance of previous agreed intelligence positions—would continue to produce the view that the Soviet Union indeed have a major CBW program. Other studies of CBW were, of course, made in 1967–68 by, among others, ACDA, DDR&E, and Systems Analysis. But there was little co-ordination among them until the hurry-up effort to build the Johnson "peace legacy" in 1968. Even then, there were no well-considered procedures for resolving conflicting analyses and differences of opinion and interpretation. Such differences were, in fact, discouraged in hopes of achieving the necessary consensus without which the Johnson Administration was virtually paralyzed.

Under the Nixon Administration, the procedures for developing information changed considerably. The NSSM process allowed civilian evaluation of the military utility of chemical and biological weapons and of the implications of the renunciation of these weapons. Thus, National Security Council members were confronted not only with the Joint Chiefs' notion that the use of such weapons was very important, but civilian skepticism about the value of such weapons. Also as part of the NSSM process, the intelligence interagency group was directed to produce an analysis of the chemical and biological weapons programs of other countries. Obviously, there was nothing particularly original in this assignment. What was new was the requirement that differences of opinion and the evidence supporting any opinion be stated clearly in the document. In this way it was discovered that previously held unanimous opinions were not nearly as unanimous as had been thought. Moreover, the NSC staff and Dr. Kissinger also gained valuable insights into the intensity of feeling behind agency and department views on particular topics. The State Department's Bureau of Intelligence and Research, for example, dissented so strongly from the initial draft of the foreign capabilities paper that an additional inquiry was ordered. This inquiry revealed that the U.S. had *no* hard data confirming a Soviet biological weapons capability. The intensity of the State Department's dissenting footnote was as much responsible for the followup study as the content of the footnote itself. Thus, a decade or more of consensus on the Soviet CBW program was revealed to have been based on very flimsy evidence. Because the issue was put into a new channel, one which did not facilitate the intelligence community's well-developed art of hiding the differences and deferring to each other's primary interests, the decision-makers were provided a much better picture of the Soviet and Chinese chemical and biological weapons programs—information which suggested that these programs might be very limited indeed.

3. Options

The contrast in the way the two systems worked was even more striking when one considers the alternatives that each put forward. Under the procedures of the Johnson Administration, an opinion on CBW would reach the President only if a senior official was prepared to recommend that option and urge the President to adopt it over the opposition of other senior officials or of the Joint Chiefs of Staff. Thus, when the Chiefs wrote directly to the Secretary of Defense suggesting the need for a national policy on CBW, McNamara was confronted with the choice of endorsing the Chiefs' proposal, presenting his own alternative and urging President Johnson to overrule the Joint Chiefs, or finding a way to put off the issue. Understandably, the Secretary sought to put off the confrontation by forwarding the Joint Chiefs' proposal to the State Department.

The Secretary of State was confronted with a similar dilemma. He chose to resolve it much the same way, by forwarding the proposed JCS national

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policy on CBW to one of the bureaus of his department, instructing that bureau to come back with a unified State Department position. But the development of such a position was impossible in the absence of strong guidance from the Secretary. It was, in fact, to prove to be impossible to get consensus even within the Bureau of Politico-Military Affairs, split as it was between those who gave major weight to the views of the Joint Chiefs and those whose interests included a concern with arms control. Once other State bureaus were brought into the act—the U.N. Bureau, the Legal Bureau, the Science Bureau, and the Regional Bureaus which might be affected by the issue—it was agreed that State-wide consensus was hopeless. Thus, State spent the last year and a half of the Johnson Administration in a frustrating and fruitless effort to come up with an agreed position to recommend to the Secretary of State.

No options reached President Johnson in a period in which he was widely reported to be looking for peace initiatives to take in the closing months of his administration. A major revision of U.S. CBW policy—a document that in many respects foreshadowed Nixon's CBW statement of a year later—was drafted by many of the agencies working on the issue prior to the Soviet invasion of Czechoslovakia, but it had not yet received the Joint Chiefs' seal of approval. Given the unique position of the Chiefs on arms control matters in the Johnson Administration, they might well have succeeded in substantially watering down the proposal before it could go to the President. Had it reached Johnson, it would almost certainly have been a very diluted proposal which was the lowest possible common denominator between the military and the civilian officials of the government.

Nixon changed the rules which tended to tie his predecessor to the *status quo*. When the Joint Chiefs asked the Secretary of Defense to secure a national policy on CBW in 1969, Laird was able to request a NSSM study on the subject, instead of having to dance around the issue as McNamara had been forced to. The NSSM process assured that the President would receive a wide range of options and alternatives from which to choose. Since agencies were instructed to give the President every conceivable option and not simply those which were strongly recommended by the senior officials, junior officials could get any option included in the package simply by pointing out that it was a possible alternative. When the Joint Chiefs, for example, objected to the inclusion of the option of a total renunciation of chemical and biological weapons, they were told that they would be free to see to it that the objections to such a policy would be clearly stated but that the members of the working group were under orders from the President to present him with all of the conceivable options and alternatives. Moreover, the procedures of the Nixon Administration made it more likely that the President would be in a position to overrule the Joint Chiefs of Staff. For one thing, the shadow of the Joint Chiefs' veto did not affect the entire process as it did under Lyndon Johnson. Under the procedures of the Johnson Administration, everyone was acutely aware that it was useless to bring forward a proposal that would not elicit the Joint Chiefs' approval. Under Nixon, by contrast, there was a felt pressure to bring forward all reasonable proposals and to give the President the option of rejecting them. Moreover, the formalized procedures of the National Security Council system gave the Joint Chiefs the assurance that their views would be understood and considered by the President. The fact that the ultimate decisions were made after a National Security Council meeting in which the Chairman of the Joint Chiefs could personally advocate the military's cause meant that the JCS would know that the Commander-in-Chief himself had considered their views in arriving at his position. Under these circumstances, the JCS were much more willing to accept a decision that went against their stated position. Moreover, the President could better calibrate the intensity of the Joint Chiefs' feelings by a direct meeting with their Chairman. With the Chairman coming to NSC meetings every week—and at this time, meetings were being held virtually every week—he could not assert the Chiefs' position with the same intensity of feeling about each issue. In this way Nixon was able to discover that the Joint Chiefs did not in fact feel very strongly about the renunciations of biological weapons, and at the same time he was able to assure the Chiefs that their position had been given a fair and full hearing.

4. Implementation

Implementation of Nixon's decision had two major aspects: (1) the resubmission of the Geneva Protocol to the Senate and negotiation of the Biological Weapons Convention; and (2) the destruction of biological weapons stockpiles and the conversion of biological weapons research, development, and production facilities to nonmilitary purposes. Both ran into difficulty, though for somewhat different reasons. The ratification of the Geneva Protocol (and subsequently of the Biological Weapons Convention) was stalled for over four years over the issue of the status of riot control agents and herbicides under the treaty. It is unclear whether the NSSM process had generated sufficient information on Congressional opinion on the issue for Nixon and his aides to anticipate what the Senate's probable reaction to the resubmission would

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be. If not, this is a deficiency in the process. In this case, however, it is doubtful that even a full and complete awareness of Senate opinion on the status of riot control agents and herbicides under the treaty would have softened the Administration's position on the issue. The Joint Chiefs were adamant in protecting the continued use of these agents in Vietnam and could be expected to actively oppose ratification of the Protocol if it threatened to halt such use. Only after a change in administrations and after American forces had been withdrawn from Vietnam could the issue be resolved.

Destruction of biological weapons stockpiles and the conversion of facilities was a more difficult task. First, the President's decision was interpreted as a mortal blow by the Chemical Corps, which immediately seized the toxin loophole in an attempt to soften that blow. Secondly, the NSC staff lacked the ability to force parallel agencies—the Public Health Service, HEW, and the Office of Management and Budget—to co-operate with the President's decisions. Finally, the NSC staff could not get the attention of the President because the problems in implementing the decision would have required drastic intervention in the affairs of various agencies at a very low level. Such intervention would further undermine the already diminished authority of agency and department heads.

5. External Groups

The impact of external groups on the policy-making process was significantly greater in 1969 than under the preceding Administration. The general public sent thousands of letters to Capitol Hill following the revelations that the Army planned to ship thousands of tons of obsolete chemical munitions by rail across the U.S. for disposal at sea. Still later in the summer of 1969, the accidental release of nerve gas on Okinawa created both a major international incident and considerable domestic political pressure when the Pentagon tried to ship the Okinawa stockpile to Alaska, then to Oregon, and eventually to Johnston Island.

By the summer of 1969, the scientific community was also more active and better organized in its opposition to chemical and biological weapons. Occasionally, such scientists were able to plead their cause directly to members of the staffs of the various Interdepartment Groups studying the issue. The growth of environmentalism and the building of an alliance among scientists, environmentalists and anti-war groups mobilized considerable numbers of people.

However, it was the active participation of Congress in the policy-making process that probably had the greatest impact of any group outside of the Executive Branch. Congress participated in three distinct ways: (1) the individual investigations of several interested members; (2) public hearings on the subject; and (3) legislation dealing with the U.S. CBW program, particularly the amendment to the FY 1970 Authorization for Military Procurement. This legislation imposed changes in standard operating procedures that forced the Defense Department to provide Congress with more information on U.S. chemical and biological weapons programs than had been the case in previous years.

III. EVALUATION OF U.S. GOVERNMENT PERFORMANCE

A. *A Reasoned Conception of U.S. Objectives Was Present:* Johnson Administration: fair; Nixon Administration: excellent.

Throughout most of the Johnson Administration, narrow military considerations were virtually the sole determinant of U.S. CBW policy; the tradeoff between the military utility of these weapons and their diplomatic and political costs was not confronted. In 1969, however, military considerations took no more than equal weight to technical, diplomatic, political, and arms control considerations in the general conception of U.S. objectives.

B. *The Best Obtainable Information Relevant to the Decision Was Made Available:* Johnson Administration: poor; Nixon Administration: good.

Unfortunately, the Johnson Administration was hard on the bearers of bad tidings, particularly if such information related either to the conduct of the Vietnam War or to international reaction to U.S. activities there. As a result, information was often withheld from the Secretary of Defense or the Secretary of State for fear that it would reach the President and result in great hardships for the agency responsible for passing that information up the chain of command. ACDA in particular was regularly kept in the dark, as it was regarded as hostile to the use of chemical agents in Vietnam and likely to bring the issue to the President's attention. Nixon's NSC system reversed those sanctions. The NSC staff was able to raise the costs of failing to release information to a sufficiently high level that threatened any organizational gains that might result from withholding evidence. Furthermore, the encouraged absence of unanimity on policy options at the working level encouraged each agency to put as much information as it had on the table in support of its position rather than bury it for later use in circumventing decisions reached by senior national security managers.

C. *The Implications Flowing from the Information Were Effectively Canvassed:* Johnson Administration: poor; Nixon Administration: good.

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The Johnson Administration almost completely neglected the broader implications of its use of chemical agents in Vietnam—diplomatic, political, arms control, ecological—until those implications were too obvious to be avoided. The Nixon Administration succeeded in exploring the implications of information available to a considerable degree, but its failure to examine the available information regarding the definition of toxins slightly marred an otherwise solid performance.

D. *A Full Range of Alternatives Was Considered:* Johnson Administration: poor; Nixon Administration: excellent.

The Johnson Administration was structured such that any alternative to the *status quo* would be difficult to suggest, much less achieve. The NSSM process, by contrast, presented the President with five options representing a broad range of possible courses of action.

E. *A Full Range of Relevant Considerations Was Applied:* Johnson Administration: poor; Nixon Administration: excellent.

As mentioned above, military considerations were virtually the sole determinant of U.S. CBW policy during most of the Johnson years. Under Nixon, a much broader range of relevant considerations applied.

F. *All Appropriate Participants Were Consulted:* Johnson Administration: poor; Nixon Administration: good.

The Johnson Administration virtually ignored anyone outside the military until 1968, and even then the Joint Chiefs' views were given special treatment. The Nixon Administration succeeded in involving all of the appropriate Executive agencies in its CBW deliberations, but its treatment of the Congress on the issue of the Geneva Protocol was somewhat disdainful and heavy-handed.

G. *The Decision Was Taken at the Lowest Level Possible:* Johnson Administration: poor; Nixon Administration: excellent.

Johnson's April 1, 1965, explanation that "no one told me" prior to the initial use of riot control agents in Vietnam may have been "less than candid." But it is clear that he did not pay close attention to the details of chemical agent use in Vietnam after their initial authorization. Low-level military commanders made decisions which higher-level civilians should have made instead. Nixon's revision of U.S. CBW policy was quite properly made at the Presidential level.

H. *The Decision Was Clearly Communicated to Those Responsible:* Johnson Administration: poor; Nixon Administration: fair.

The initial authorizations for the use of chemical agents in Vietnam did not lay down specific guidelines spelling out when and where they could be used. Consequently, those in the military, as well as the FSO's in the U.S. Embassy in Saigon, were unclear as to what conditions or restrictions the use of chemical agents was subject to. The Nixon Administration did a somewhat better job of publicizing its CBW decision. The toxin issue, however, was left ambiguous after the November, 1969, announcement, and the order to co-operate in demilitarizing the Army's biological warfare facilities apparently did not go out to HEW and the Public Health Service.

I. *The Actions of the Responsible Officials Were Monitored:* Johnson Administration: poor; Nixon Administration: fair.

Very little attention was given to the use of chemical agents in Vietnam by senior officials in the Johnson Administration. Nixon's NSC staff conscientiously monitored the actions of those officials and agencies under its own umbrella, but was unable to cajole those outside of it (HEW, PHS, etc.) into quick and efficient co-operation.

J. *The Results of the Decision Were Noted and Assessed:* Johnson Administration: fair; Nixon Administration: fair.

Throughout the Johnson Administration, there were only a few efforts made to follow the course of chemical agent use in Vietnam, as well as the pace of CBW discussions in international forums, although a few CBW studies were made. The Nixon Administration seemed to forget the issue once the important decisions had been made, and so the implementation of those decisions was left to stumble along.

K. *The Resources Committed to the Action Were Commensurate with the Task:* Johnson Administration: fair; Nixon Administration: good.

The Johnson Administration never committed adequate resources to the formulation of a clear and coherent CBW policy. The Nixon Administration allocated sufficient resources through the decision phase of the policy-making process, but failed to sustain the high level of national security manager interest in implementing the decision.

L. *The Decision Process Was as Open and Public as Was Consistent with its Nature:* Johnson Administration: fair; Nixon Administration: good.

Formulating arms control policy is never a very public process, but the Johnson Administration was excessively secretive regarding the use of chemical agents in Vietnam and their effects on the country, and in seeking to cover up the Dugway Proving Grounds accident. The Nixon Administration was more open in dealing with civilian agencies in the Executive Branch (notably ACDA) and with the Congress, but not with the public.

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M. *The Decision Was Broadly Consistent with the Public's Sense of U.S. Interests:* Johnson Administration: fair; Nixon Administration: good.

Insofar as chemical agents were used in Vietnam to reduce U.S. casualties, the public probably generally supported the Johnson Administration's stance on the issue. But as the actual use of those agents for crop destruction and casualty production became known, and as their ecological effects became apparent, the public probably grew impatient with the Johnson Administration's intransigence on the issue. Decisions reached by the Nixon Administration were far more consistent with the public's sense of U.S. interests, with the exception that there was probably greater desire to see herbicides and riot control agents banned under the Geneva Protocol than perceived by the Administration.

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CHAPTER 3

Formulating Negotiating Positions for SALT: 1968, 1969-72*

Based on a case by Burton R. Rosenthal

At the Moscow summit meeting in May, 1972, President Richard Nixon and Soviet leader Leonid Brezhnev signed the first Strategic Arms Limitation agreements, the "Treaty on the Limitation of Anti-Ballistic Missile Systems" and the "Interim Agreement in Certain Measures with Respect to the Limitation of Strategic Offensive Arms." With his usual penchant for hyperbole, President Nixon told Congress that these agreements would "lead the world up out of the lowlands of constant war and on to the high plateau of lasting peace." Not everyone agreed with this rhetoric. But it was difficult to deny that the achievement was, in fact, "historic." Never before in history had major powers agreed to such important limits on weapons so central to their fundamental security.

The two SALT agreements went to the "knuckle of security." One agreement limited each side to two ABM sites, thus ratifying the fact that each nation's population lives as hostage to the other's nuclear missiles. Whenever the Russian leaders give the word, a hundred million Americans will die a quick death—and vice versa. Thus the two governments have an overriding common interest. A second treaty froze the number of strategic offensive missiles each nation could have during the five-year life of the agreement, explicitly accepting the goal of equality in nuclear forces, rather than superiority, and eschewing any efforts to gain unilateral advantage.

The 1972 accords also held out promise for smoother political and arms control relations in the future. If declining tension was a general requirement for avoiding nuclear disaster, the process whereby the U.S. and the Soviet Union joined in complex talks for several years contributed substantially to stabilizing superpower relations. Moreover, in technical terms, SALT I set favorable precedents for verifying American-Soviet nuclear weapons agreements. Any future weapons agreement would require mechanisms for assuring faithful compliance. The first SALT accord established that such verification was possible without direct Soviet or American presence at each other's military facilities. Rather, each superpower pledged not to interfere with its adversary's use of national technical means of monitoring compliance with the agreement.

The ABM Treaty and the Interim Agreement were the culmination of a decade of debate about the relative advantages of unilateral military strength as against negotiated agreements in guaranteeing national security. Two successive administrations prepared U.S. negotiating positions for SALT talks. Preliminary discussions under President Johnson laid the groundwork for SALT, but the process was aborted in August, 1968, when the Soviet Union marched into Czechoslovakia. Under President Nixon, negotiations were finally started and were brought to a successful conclusion three years later.

The full history of SALT involves a host of weapons systems—ICBM's, ABM's, bombers, submarine-launched missiles, and "forward-based systems"—and a seemingly endless process of diplomatic twists and turns. This study will not focus on the negotiations themselves, nor on the various weapons systems and their capabilities. Rather, we concentrate here on the organizational processes by which a U.S. negotiating position was prepared under Johnson in 1968 and under Nixon during 1969–72. Two major weapons systems—ABM and MIRV—will serve as the center of attention in our review of the organizational mechanisms relied on by two successive administrations to man-

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age SALT preparations. The contrast in their approaches should shed some light on the relative merits of alternative organizational mechanisms for preparing arms control negotiating positions. In addition, the case will raise further important organizational issues: the role of the Joint Chiefs of Staff in arms control; the interaction of arms control negotiations with the weapons acquisition process; the role of Congress; the role of ACDA; the allocation of responsibilities between the White House and the agencies; and the development of intelligence estimates.

The Johnson and Nixon Administrations employed quite distinct organizational arrangements, in rather different political settings, to arrive at somewhat similar SALT policies on ABM and MIRV. In 1968, when President Johnson committed his Administration to SALT negotiations, the White House relied on middle-level officials to work out a compromise SALT package which higher-level civilians and military officials could live with. The Nixon White House took a more cautious approach to SALT. As it gradually reestablished the U.S. commitment to SALT in 1969, it radically centralized the policy-making operation. An elaborate program of interagency analysis was structured and supervised by White House officials to suit the needs of White House decision-making.

As a first approximation, the outcomes of these two processes were similar. In the first episode, no MIRV limitations were included in the American SALT package. In the second case, the only MIRV limits proposed by the U.S. were predictably unacceptable to the Soviets, and the Offensive Agreement had no MIRV provisions. On ABM, the 1968 position called for "set and equivalent" limits, implicitly understood to be some number between 100 and 1,000 launchers. In 1969, as negotiations began under Nixon, a comparably wide range of ABM limits was under consideration. The alternatives soon narrowed sharply and a decision was made to negotiate to limit ABM deployment to one site at each national capital (NCA), or to ban it entirely if the Soviets preferred. The final treaty allowed ABM deployment at one NCA site and one ICBM site in each country.

Given the similarities in the negotiating positions produced by both the 1968 and 1969–72 deliberations, it could be argued that the *process* of policy-making made little difference. The conclusion, however, should not be accepted without careful examination of the argument. On balance, this study finds that conclusion wanting. Given the importance of basic technological facts and political forces in focusing attention on particular weapons while limiting the range of choice, and given that the second position built on the consensus developed in preparing the first package, the negotiating position of 1970 had to bear a strong resemblance to the position of 1968. But the differences between the two packages should also be noted:

- the second excluded MIRV by explicit Presidential decision, not the decision of some Deputy Assistant Secretary;
- the second not only limited ABM but really excluded any serious effort to defend populations against nuclear attack;
- the second was based on more careful analyses and was thus less vulnerable to objections from critics.

None of the shifts in the U.S. position on ABM was attributable solely to differences in the policy-making process. But each was importantly affected by the organizational processes that are the subject of this analysis.

Section I presents the story of U.S. SALT policy-making in 1968 and then again in 1969–72, focusing specifically on ABM and MIRV. The Johnson and Nixon episodes are sketched separately in two sections. Section II draws on both episodes to analyze the impact that organizational arrangements appear to have had on ABM and MIRV decisions and actions. Section III evaluates the two decision-making processes against the Commission's checklist.

I. OVERVIEW

A. Setting the Stage for SALT

During the two or three years before SALT became a real issue, anti-ballistic missile and multiple warhead technologies emerged as two central strands of U.S. strategic force planning. Both were reaching a stage of development where critical procurement questions were being faced in the Executive and in Congress. The ongoing debates about unilateral procurement provided the backdrop for decision-making about bilateral SALT controls.[1]

1. ABM and MIRV

Of the two technologies that developed side-by-side, ABM always aroused more controversy. By 1966 military leaders were making it clear to the White House and to powerful Congressional allies that they wanted to procure the ABM system that had been developed by the Army (in cooperation with the Office of the Director of Defense Research

[1]For a more complete analysis of U.S. policy on ABM and MIRV development, see the case studies of each in this project's volume on Acquiring Weapons (Volume II).

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and Engineering [DDR&E]). There was considerable support for ABM in Congress. It was spoken of as protection against the Russians, whose own weapons expansion at the time included a "Galosh" ABM site around Moscow. Others saw it as possible protection against the Chinese, who had exploded an atomic bomb in 1964. In the summer of 1966 Congress voted $168 million for an ABM system without any Administration request.

Defense Secretary McNamara and others had serious doubts in 1966 about the technical adequacy of the available ABM system and the overall value of deploying it. His advisors in Systems Analysis, and weapons contractors themselves, suggested that the system was not ready. McNamara reached a compromise with the Chiefs on ABM budgeting in December, 1966. As agreed by President Johnson, the Administration would request $375 million for ABM procurement in the Fiscal Year 1968 Budget, but would delay actual expenditures while exploring with the Soviets the possibility of bilateral strategic arms limitations. This compromise in 1966 held off ABM procurement for almost a year, while sparking new interest in SALT negotiations.

While ABM faced heated criticism during the pre-SALT period both within the Administration and without, MIRV coasted through an array of development and funding decisions with hardly a dissenting voice. Here was a program that looked good from a number of angles. From the point of view of the Pentagon's weapons designers, MIRV was a marvelous technology, multiplying offensive capabilities by allowing one missile to destroy several separate targets. For the Air Force, it multiplied the "war-fighting" capabilities of the Minuteman force, while the Navy saw it as a means of maximizing the "assured destruction" potential of the Polaris fleet. From the point of view of Systems Analysis in the Office of the Secretary of Defense (OSD), it was a cost-effective technology. Moreover, for McNamara, it represented a winning package: cost-effective, technologically advanced, and attractive to both Services and Congress. Given the recommendations of both the Services and Secretary of Defense, the Congressional committees concurred.

2. Glassboro and Subsequent ABM Development

By March, 1967 the Soviets had been approached and had shown rather restrained interest in negotiations. A summit meeting was scheduled for June on short notice. There were reasons to doubt whether the Soviets would be ready to start serious arms talks. Johnson had proposed a nuclear weapons freeze to the Soviets as early as 1964, but the proposal had been rejected, perhaps because the proposal called for on-site observers to police the agreement; perhaps because the Soviets did not wish to negotiate from a position of overwhelming inferiority; perhaps because Vietnam could prove to be an irritant. McNamara was hesitant to mobilize a major preparatory effort, creating friction in the bureaucracy before it became clear that productive negotiations were a possibility. Instead, he set a small group of officials to work thinking about a U.S. negotiating position. Included were Paul Nitze and Paul Warnke from OSD; Sovietologist Raymond Garthoff from the State Department; Adrian Fisher from ACDA; and a representative of Chairman Earle Wheeler of the Joint Chiefs.

McNamara's caution proved justified at the Glassboro Summit of June, 1967. The Secretary pressed hard for a commitment to bilateral ABM controls. Ballistic missile defense, he insisted, would destabilize the nuclear balance by making the opponent insecure about its capability to retaliate against a surprise strike. Kosygin and his Soviet colleagues were not receptive. In 1967, they were not ready to accept McNamara's anti-ABM argument. The interchange at Glassboro, however, may have jolted the Soviets into a turnaround on ABM a few years later.

With the Soviet rejection, ABM was again back in the unilateral development arena. President Johnson informed McNamara after the Summit that he wanted to deploy an ABM system. He recognized that there was still a great deal of support for ABM in the Pentagon and in Congress. Undoubtedly, he was conscious of the potential importance of ABM in elections a year hence. But the President's procurement decision left unresolved the critical question of what type of ABM system the U.S. would develop. Three rather different ABM systems had advocates in the government: (1) a "thick" area system to protect U.S. cities from a large Soviet attack; (2) a "thin" area system to protect against small Chinese or accidental Soviet launchings; or (3) a "hard-site" system to protect U.S. ICBM's for retaliation against a Soviet first-strike. Predictably, the debate over a mission for ABM picked up after Glassboro misfired. (The importance of this choice showed up years later when U.S. policy-makers had to look at the character of the U.S. ABM program and decide whether or not to bargain the program away.)

The military pressed hard for a thick area system, reflecting the long-standing preference of Army officials who were sponsors of ABM Research and Development (R&D). For many years the Army, aided by DDR&E, had been developing U.S. ABM technology with the expectation that thick area defense would be the Army's strategic mission. This ambition met little resistance from the other serv-

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ices. For their part, Air Force officials preferred the thick area notion to any hard-site plan which would leave Air Force ICBM's dependent for protection on an Army ABM program. So the Chiefs and their supporters in Congress fixed on the thick area role which the Army had planned. Officials in OSD debated all three possibilities. A thin area system would involve less money and probably fewer technological hurdles. On the other hand, McNamara's advisors in Systems Analysis suggested that a hard-site system would have the advantage of putting the Soviets at ease about their own capability to counter a U.S. first strike with an attack against U.S. cities. Finally, and perhaps most importantly, many of the civilian officials most intimately involved with the actual development program favored the thick area program.

McNamara's decision was announced in his famous San Francisco speech of September, 1967. But his decision left the ABM issue in a fog. The Defense Secretary explained Sentinel as a protective system against the emergent Chinese threat. In his speech, and in a subsequent *Life* magazine interview, he insisted at great length that the U.S. was deploying a thin area defense that could not threaten the Soviet retaliatory potential. But at Congressional hearings, Congressmen and military spokesmen proclaimed that the U.S. was procuring the beginnings of a thick area system. Deputy Secretary Nitze testified that an anti-Russian capability was indeed in the cards. Of course, the ABM technology had been designed all along by the Army and DDR&E to perform that thick area mission.

In January, 1968, the Administration requested $1.2 billion for production and deployment of a "Sentinel" ABM system, along with continued funding for MIRV deployment. That was four months before a May, 1968 revival of prospects for arms talks with the Soviets.

B. Preparing a SALT Negotiating Position—A Trial Run in 1968

Events in the first months of 1968 prompted leaders of the U.S. and U.S.S.R. to put weapons talks back on track. The Soviets were traditionally concerned about nuclear threats from third powers such as West Germany and Japan, and the signing of the Non-Proliferation Treaty early in the summer reduced this problem. Soviet interest in arms control must also have been encouraged by the U.S. announcements about multiple warhead and Sentinel ABM development. On the U.S. side, strategic arms control got an indirect boost from a more remote political issue: Vietnam. In March, 1968, President Johnson announced that he would not be a candidate for re-election. In the months that followed, with his Presidency in a shambles, the lame-duck President attempted to establish some sort of "peace legacy" to go along with the legacy of Vietnam.

1. New Arrangements

Johnson's arms control interest and a favorable signal from the Soviets got SALT off the ground in May, 1968. The President's wish to advance the cause of arms control before his Administration expired imposed severe constraints on the organizational arrangements for preparing a U.S. SALT position. Time was the first problem. Only on June 27 did the U.S. receive clear confirmation of serious Soviet intentions. Yet Johnson wanted talks with the Soviets to get started before the fall elections. The President did not want extended internal debate over the provisions of a U.S. negotiating position. Whatever the deadlines, there were formidable political barriers involved. The Administration was already badly split over Vietnam. With the White House weakened, Johnson realized that a split over SALT issues would delay or even scuttle the negotiations. A negotiating package would have to be prepared on which all the major foreign policy agencies—especially the Joint Chiefs—would sign off.

The order for such a compromise came down to the agencies from the White House. The message implied that speed and compromise should be central requirements shaping SALT preparations in 1968. The White House would apply what pressure it could to encourage interagency agreement, but its role in policy debates would be minimal. Neither would the normal interagency machinery be relied on. Ordinarily a high-level interagency group, the Committee of Principals, oversaw arms control matters in the Johnson Administration. Secretary of State Rusk chaired the Committee, which included the Secretary of Defense, the Chairman of the Joint Chiefs, the Director of ACDA, the Director of the CIA, and the President's Assistant for National Security. For its staff work, the Committee relied on a Committee of Deputies, chaired by the Deputy Director of ACDA. But the Chiefs had little faith in the objectivity and prudence of ACDA. So an interagency group staffed by ACDA was unlikely to develop on short notice a position which the Chiefs and everyone else would accept.

In early July a substitute for the normal machinery was devised. It was centered in the Pentagon, and relied on informal bargaining between middle-level civilian and military representatives to produce negotiating positions that could pass muster at higher levels. Morton Halperin, Deputy Assistant Secretary for Policy Planning and Arms Control in

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ISA, asked for responsibility to chair the Pentagon committee that would put together a negotiating package. Clark Clifford, then Secretary of Defense, agreed to the arrangement. It seemed a logical solution. ISA had arms control sympathies, close ties to the State Department and ACDA, and better relations with the military than did ACDA.

The "SALT Committee" became the official working group for SALT preparations. Chaired by Halperin, it included representatives of the Joint Chiefs, the Office of Systems Analysis, DDR&E, and civilian and military leaders in the services. The style of operations was a bit irregular. Halperin worked privately with a few collaborators in ISA, ACDA, and State to develop negotiating provisions that had a fair chance of gaining military approval. With draft provisions prepared by the ISA-centered group, and after informal consultation with the JCS representative, Halperin would take a draft to the Pentagon's SALT Committee as the "ACDA-State proposal." The Committee would then be asked to respond to the proposal in a relatively short time, or reject it altogether. After objections and modifications by the SALT Committee, the draft package would move on for higher level review by the Chiefs and by the interagency Committee of Principals. The ISA group was counting on military involvement at the working group level to avoid a military veto at the higher level. Moreover, time pressure during review would discourage objections if a reasonable compromise had been struck at the lower level.

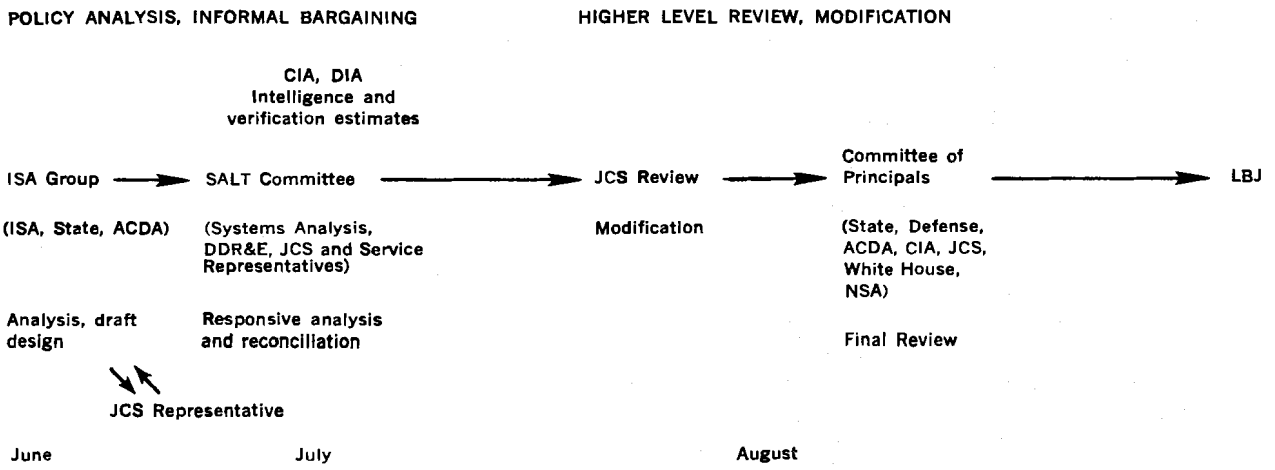
In simple terms, the 1968 process is illustrated below.

The Joint Chiefs had special prerogatives in the process. Along with their privilege to pass on the draft before its review by the Principals, their representative played a key role in the early bargaining. Wheeler's choice of a SALT representative suggested that he was responsive to the President's desire for inter-agency accommodation. Instead of assigning an envoy from the Office of the Joint Chiefs' Special Assistant for Arms Control—an office not known for venturesome arms control positions—Wheeler selected out of an operational command an officer with experience in policy analysis. Major General Royal Allison had earlier served as Deputy Chairman of the Special Studies Group, the Joint Chiefs' new analytic shop. His assignment to SALT signalled the military's willingness to take a reasoned look at SALT policy. For five years Allison coordinated the military's input into SALT policy analysis. In 1968, during preparation of an ACDA-State proposal, the ISA Group relied on him to say what the military was or was not likely to accept.

2. The Issues: ABM and MIRV

ABM presented perhaps the toughest issue that had to be dealt with. The Administration's funding request was approved by the Senate in June, with only a hint of the opposition that would follow in future years. In the bureaucracy there were conflicting views about the desirability of seeking ABM controls. The Army was counting on a full area-defense system. That position was supported by the other services and their allies in Congress. Many officials in ISA, ACDA, and State favored banning ABM altogether. In Systems Analysis, there was growing support by 1968 for a hard-site system to protect Minuteman offensive missiles.

On MIRV, too, SALT policy-making ran into unilateral development choices. MIRV development was reaching a stage where it might outrun possibilities for verifying bilateral arms agreements. MIRV technology created special verification problems for arms control. In order to assure that a given type of missile had or had not been MIRVed, it was important to monitor flight tests of the sys-



tem to see if it had a capability for multiple warheads. When SALT policy-makers debated the desirability of controlling MIRV technology, they should have considered the implications of carrying through with U.S. flight tests before MIRV came up at SALT negotiations. If flight tests got underway —and they were scheduled to begin in August, 1968—any future negotiations would be burdened by Soviet doubts as to whether U.S. missiles were really MIRVed or not.

Most civilian and military officials in the Pentagon felt that MIRV represented the Americans' edge in the arms race. To delay MIRV flight-testing for the sake of possible future controls would be to squander that edge. On the other hand, many officials in ACDA, State, and ISA thought future possibilities for controlling MIRV technology might be worth the price of delaying the U.S. testing program. As it turned out, MIRV testing involved the type of hard decision, like the choice of a preferred mission for ABM, that the 1968 SALT machinery was simply incapable of facing, given the political context and the priority which was placed on getting the Government committed to SALT.

A whirlwind of SALT policy studies by the ISA Group and the SALT Committee were underway in the Pentagon when Halperin and his collaborators from ACDA and State made two decisions about ABM and MIRV which carried through the entire decision process. On ABM, the ISA Group agreed that any proposal for specified, even moderate limits would bring a split with the military. Instead, the draft proposal would ask for unspecified, symmetric limits on ABM. On MIRV, similarly, the Group felt certain that a recommendation for controls of any sort would result in a military veto of the ACDA-State proposal. The Chiefs were solidly behind MIRV development, and a fight over controls would risk other prospects for ABM limits, for limits in other areas such as ICBM and SLBM launchers, and for an overall U.S. commitment to arms talks with the Soviets. Halperin and his reluctant colleagues in ACDA and State agreed that no MIRV limitations would appear in the ACDA-State proposal.

Major General Allison was the key person to be consulted before any provisions went up for review at higher levels. The ABM provision shown to Allison called for equal limits on ABM launchers at some undetermined number between zero and a thousand. The response from Allison was a general approval but a rejection of the zero possibility. One might guess that zero-ABM raised a loud cry from the Army for whom a total ban would mean no operational experience with ABM technology. Moreover, both Allison and Wheeler liked ABM for its potential protection of a U.S. second-strike capability. Allison's insistence that "zero" be excluded was quickly accepted by the ISA Group. As they saw it, a wide-open ABM provision that was approved for SALT negotiations could be pinned down after contact with the Soviets—perhaps at a low level.

The handling of the MIRV flight test issue highlighted the political and organizational constraints on the 1968 preparations. The tests scheduled to begin in August, 1968 were part of a routine development process that had begun years earlier when development was authorized. Those officials in ACDA and State (along with some in OSD) who worried that flight tests might hurt chances for later MIRV agreements faced a problem of raising the *development issue* in an interagency *SALT forum*. They were unable to do so. At one point Halperin and Ivan Selin did some quiet calculations on how long MIRV testing could be delayed without delaying the expected deployment date. Then they privately approached Deputy Secretary of Defense Nitze about a testing moratorium. Their approach, however, violated the ground rules that required consultation with the military at the working group level. Nitze felt he could not discuss the MIRV issue without bringing in Allison. That killed the initiative. Allison objected, and Nitze was told soon after by Secretary Clifford that the flight tests were to proceed on schedule. Clifford explained that the U.S. should go into SALT from a position of strength, thus giving the Soviets an incentive to bargain.

The surprising truth was that MIRV—as important a question as it was—never received a full airing in 1968. Both Clifford and Rusk thought the Chiefs would not agree to a moratorium. The military would protest that SALT discussions might meander on without any resolution of the MIRV question. And military officials would resist as a matter of principle any restrictions on qualitative improvement programs such as MIRV. In August, the test moratorium issue was discussed briefly by the Committee of Principals. ACDA decided not to press for a moratorium, but suggested that it would oppose testing if the issue became a problem at SALT.

The draft proposal itself, with its provisions for ABM limits between 100 and 1,000, underwent a further revision when it passed from the SALT Committee to the Joint Chiefs themselves. The Chiefs conducted a private review of the proposal beginning on August 7. Three days later they emerged from the Tank carrying a JCS Memorandum (JCSM) approving the SALT package with a few modifications. Two of their recommendations concerned the ABM provision, and both were accepted by the SALT Committee. The first revision dropped the 100–1,000 boundary around the "set-and-equivalent" language, and substituted a more general reference to a level that would take into

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account possible uses of ABM's against third powers and possible Soviet reloading capabilities. The second, more important change eliminated any reference in the draft to controls on ABM radar installations. Radars were costly, conspicuous elements of ABM systems, requiring long construction periods. Many officials thought they had to be controlled and monitored if ABM launcher limitations were to be verifiable. On the other hand, some officials had doubts about the feasibility of negotiating limits on ABM radars since other, similar types of radar facilities would necessarily be uncontrolled.

Whatever the arguments, the ISA Group was a bit surprised that the military's dissatisfaction with radar limits had not surfaced earlier, during consultation with General Allison. As the package moved for final review by the Committee of Principals, radar controls were not worth a battle. So the ABM radar limits were dropped.

Only a minor role remained to be played by the interagency Committee of Principals. Notably, the Chiefs had stipulated in their JCSM that they were approving the package "as an entity." That signaled clearly that any change in this package of compromises would reopen the whole can of worms—either during final preparations, or even during SALT negotiations themselves. So any dissatisfaction with the draft proposal was unlikely to generate serious debate when the SALT package was reviewed for final delivery to the White House. Secretary Rusk, for example, shared ACDA's concern over the absence of MIRV provisions, but he was unwilling to make any challenge. Rusk was among those who thought that contact with the Soviets might put MIRV on the negotiating table—both within the Administration and at SALT. In retrospect, although one might question the significance of the Chiefs' stipulation about the sanctity of the approved SALT draft proposal, it seems clear that a major change such as the inclusion of MIRV controls would not have come easily after negotiations began.

The proposal which the Committee of Principals sent along to the White House would have taken the U.S. into SALT talks had it not been for the Soviet invasion of Czechoslovakia. While it had been prepared in the context of political disorder, and while it sidestepped important, controversial issues, the 1968 SALT proposal was a remarkable document. In general, it put both military and civilian officials on record that the security of the United States would be enhanced by the negotiation of an arms control proposal. On ABM, the Chiefs agreed to limitations that—if accepted by the Soviets—would preclude very large ABM deployments. In another area, the military agreed to negotiate for a freeze on ICBM construction, thus accepting equality or near equality with the Soviets in strategic force numbers. Still another important agreement was reached on verification: that arms agreements could be verified by "national technical means," requiring no territorial intrusions. For years, on-site inspection had been the American price tag for arms control agreements, but the Soviets were never interested in buying. Now, with the Chiefs acceptance of unilateral inspection for verifying compliance with arms agreements, the door to meaningful negotiations with the Soviets was finally open.

So, on the one hand, important issues such as the possibilities for limiting MIRV technology or ABM radars had been clouded or avoided because it seemed too risky politically to raise the relevant information and conduct an analysis of negotiating possibilities. On the other hand, the acceptance of the principle of controls on ABM and on offensive forces and the acceptance of national technical means of verification established an arms control consensus that helped carry the government into actual negotiations under President Nixon.

C. SALT Under Nixon, 1969–72

The Nixon Administration took an entirely different approach to SALT negotiations. For the first several months, it took no approach at all. In contrast with President Johnson's SALT enthusiasm, President Nixon and National Security Assistant Kissinger were distrustful of Soviet intentions on SALT, as on other issues like Vietnam and the Middle East. Nixon had effectively vetoed a last-gasp attempt by the Democrats to revive SALT in late 1968. Not until June, 1969 did he announce his own readiness to engage the U.S. in negotiations.

Changes in political context and in operating style brought a radical centralization of the organizational apparatus that handled SALT I preparations. The political constraints on the previous White House had faded with the change in leadership. The new White House was stronger and more conservative, politically closer to supporters of the military, and more trusted by military officials themselves. Once a commitment to negotiations was established, SALT decisions could be made in the White House with less fear of alienating hard-line Congressmen and military officials. Moreover, Nixon and Kissinger believed in active White House involvement as a general principle. On SALT, as on other foreign policy issues, they set up an interagency apparatus for policy analysis, the guiding purpose of which was channeling information and options to the White House—where the big decisions were made.

The division of labor between the Nixon White

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House and the foreign affairs agencies that emerged during 1969 was reflected in two bureaucratic devices known as NSSM's and NSDM's. When the White House became interested in a foreign policy question, Nixon or Kissinger would issue a National Security Study Memorandum (NSSM) to the principal foreign policy departments directing those departments to conduct a study. The objective was to procure for the White House a good map of policy alternatives and their consequences—beyond any particular agency's preferences. In early 1969 dozens of NSSM's were issued. Interagency committees responded to the inquiries with detailed "NSSM studies" of options and the attendant pro's and con's of each.

The White House staff gradually assumed command of the NSSM routine. Like leaders of a university seminar, Kissinger and his staff would structure, critique, and in some cases even reassign the NSSM studies. Kissinger himself chaired the National Security Council meetings that followed all the staff analysis. Then after the NSC meetings, his staff would prepare more candid and condensed reports of the arguments for the President's benefit. When this elaborate flow of information led to a Presidential decision, it would be expressed in the form of a National Security Decision Memorandum (NSDM). A NSDM would be issued to the agencies from the President or his Assistant, laying out the U.S. position on an issue along with whatever actions were to be taken.

On SALT, the Nixon White House was not ready to adopt an approach to arms control—or to strategic issues in general—until this new foreign policy machinery went to work. On January 21, 1968, NSSM 3 was issued as a full-scale survey of U.S. military force posture. The NSSM 3 study, while not dealing directly with SALT, was in effect the first of several phases of a study process that would gradually build up around SALT I. In all, there would be fifteen months of interagency policy analysis—under NSSM 3, NSSM 28, and then the White House-centered Verification Panel—before the decision in April, 1970 to seek bilateral controls on ABM but not MIRV. The development decisions were handled in different forums and often out of step with formal SALT preparations, but they were highly influential on later U.S. arms control choices.

1. The Safeguard ABM Request

The new Administration faced an ABM budgeting decision before any SALT preparations had started. Their Democratic predecessors, in preparing the Fiscal Year 1970 Defense Budget, had requested $1.8 billion for continued development of Sentinel and construction of the first few sites around large cities. Changes in that budget request would have to be submitted to Congress early in 1969.

By this time the Sentinel program was in the midst of a damaging political decline. In just one year since Congress had pressured LBJ to request the Sentinel system, ABM had erupted into a major national issue. Across the country residents of metropolitan areas where Sentinel was to be deployed were worried that ABM sites would attract more Russian missiles than they would repel. And by the spring of 1969 prominent scientists, with harsh criticisms of the U.S. technology, were joining city-dwellers to form a very effective anti-ABM lobby. Congressmen were getting the message. They, in turn, let the White House know they were not happy with Sentinel. In February, the ABM uproar brought an announcement from Secretary of Defense Melvin Laird that Sentinel deployment would be held up for a month while a decision was made on ABM deployment.

Within the Administration, the ABM question was handled by an *ad hoc,* White House and OSD-centered operation, essentially bypassing the new NSSM interagency apparatus. The President asked OSD to prepare an analysis of several ABM alternatives. Deputy Defense Secretary Packard oversaw the study process. He relied heavily on experts in DDR&E and Systems Analysis to design deployment options, and he held regular interoffice meetings to get progress reports on the study. On the basis of a resulting OSD study, the White House held three NSC meetings later in the month to explore the pro's and con's of various ABM options. The review was fairly thorough within OSD, but was a good deal more restricted than later studies of ABM and MIRV in the SALT context. There was apparently too little time and too much at stake politically to submit the issue to a complete interagency policy review. On one side of the issue, the White House saw formidable grass-roots and Congressional opposition to ABM and to area-defense in particular. On the other side were a number of politically conservative ABM advocates such as Senator Thurmond, whose right-wing support might be important to Nixon in the next several years.

While no single point of view on ABM had a clear lead within the Executive Branch, there were some important differences emerging between the White House and OSD that carried through into the later SALT period. Both the President and Kissinger showed an interest in a thin area system. It could protect against small or accidental attacks, and perhaps develop later into a thicker shield. Within OSD opinions still differed, but the clear tendency by 1969 was toward a preference for a hard-site capability. Laird saw political problems with thin area programs; DDR&E saw technical ones. The Secretary and his advisors in DDR&E and Systems

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Analysis were especially concerned that Soviet offensive weapons would threaten U.S. Minutemen in the absence of any hard-site ABM protection. U.S. intelligence showed that the Russians had begun testing multiple warheads (MRV's) and were deploying giant SS-9 offensive missiles.

On March 14, 1969, President Nixon announced his decision to request funding for a "Safeguard" ABM system in place of "Sentinel." The logic of his choice was primarily political. By changing the system's name to "Safeguard," some of the controversy associated with "Sentinel" would be dispelled. Most importantly, the primary mission of Safeguard would be to protect Minuteman sites, not large population centers. Since Safeguard's missile-site radars and launchers would be placed near remote Minuteman sites, not near large cities, both the advocates of hard-site and the critics of area defense were likely to be pleased. Shifting the installations appeared to rule out the possibility of defending the population against heavy attack.

In fact, neither the Sentinel system itself nor the area defense mission was actually discarded. The hard truth was that Safeguard's components were to be Sentinel's old components. This decision to use the same area defense components in a hard-site role represented more of a political convenience than a real step toward hard-site defense. It was technologically ill-conceived. The U.S. had never really developed a hard-site alternative to the Army's thick area system. Designed for the area-defense role, the U.S. ABM system was simply inadequate to perform the hard-site mission that OSD advocated. It seemed logical, for example, that a hard-site system would intercept incoming warheads after their reentry into the atmosphere and separation from any decoys. But the thick area system had placed a great premium on protecting the population from fallout, so it was designed to intercept warheads further upstream. The inadequacies—which no name change could alter—would be stressed repeatedly during Congressional funding debates in the spring.

What about thin area defense? Nixon's speech noted that the first two hard-site installations would be followed by ten more ABM sites, and he stated that eventually the system would provide some area defense. For months after the Safeguard announcement, in fact, Nixon expected some thin area capability to develop. As it turned out, however, the President's inclination did not mean that the U.S. program would build in a thin area capability after his Safeguard announcement. The problem was essentially the one McNamara had confronted after his rather ambiguous ABM announcement in 1967: McNamara favored a thin area defense system, but development decisions did not rule out a thick system, which the Army and the developers favored. Nixon discovered during 1969 that, contrary to his own inclination and decision for a thin area defense, and whatever the technical problems with hard-site, the folks in OSD who actually supervised development of the Safeguard-Sentinel technology had shifted toward a hard-site preference.

The March ABM decision was sufficiently astute politically to narrowly survive Congressional review. But Safeguard's technical shortcomings came to count against ABM development a year later when SALT proposals were prepared. A broader review by the several agencies involved in SALT would have been more effective than the White House-OSD study in identifying Safeguard's problems.

2. Organizing to Formulate a SALT Position

The bureaucratic machinery that eventually dealt with SALT was developing slowly while the White House and OSD deliberated on ABM procurement. NSSM 3 had been issued in January, directing Deputy Secretary Packard to supervise an interagency study on force posture. Packard, in turn, asked Systems Analysis to organize a study in cooperation with staff from other agencies. They set to work with a late-summer deadline. Among other purposes, OSD and the White House looked to the strategic part of the force posture study to design basic guidelines for SALT preparations that might follow. Well-reasoned criteria for "strategic sufficiency" would head off any improvident arms control proposals. In the early spring the NSSM 3 strategic analysis was accelerated in anticipation of talks with the Soviets.

The next strand of the SALT preparations began the day before the Safeguard announcement. On March 13 the White House issued NSSM 28—a request for a comprehensive study of what strategic arms limitations would be acceptable to the United States. Throughout the spring, agency officials designed and evaluated negotiating options on ABM, MIRV, and other technologies. The work got underway before Kissinger's NSC staff had fully assumed its active role in the NSSM analytic operation. Responsibility for the interagency study was given to the Deputy Director of ACDA. It was ACDA's job to prod the agencies to design the policy options and develop the arguments pro and con. In that sense, the NSSM 28 apparatus resembled the old Committee of Deputies, which in 1968 had been bypassed as unlikely to come up with a satisfactory U.S. negotiating position. That bypass had been made almost immediately in 1968. But in 1969, it took about 3 months before NSSM 28 as coordinated by ACDA was replaced by a more satisfactory mechanism.

ACDA still lacked the confidence of the Pentagon and the political muscle to force the study process along. More importantly perhaps, the Nixon White

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House was uncomfortable with a relatively independent, interagency committee structuring and evaluating its arms control choices. NSSM 28's problems were compounded by White House concern that several officials who designed the 1968 SALT package were still involved in 1969. Halperin was now on Kissinger's NSC staff; Allison was still the Chiefs' representative; Selin was still at Systems Analysis; and Keeny had moved from the White House to ACDA. There was reason to believe that the options and assumptions coming out of NSSM 28 would look a lot like those of 1968. Neither Nixon nor Kissinger wanted a hand-me-down SALT position.

By April the NSSM 28 study had snagged on an intelligence dispute that caught the attention of the White House. A big piece of the SALT analytic problem was analyzing intelligence data to calculate Soviet capabilities and to determine how much cheating could go undetected under various proposed agreements. Both the U.S. and the Soviet Union had extremely sophisticated equipment for monitoring weapons activity. But there were often severe problems in interpreting the data. For example, since 1968 the Soviets had been testing multiple warheads on their giant SS-9 missile. The question was, were these merely MRV's (multiple re-entry vehicles released shotgun style), or true MIRV's, capable of independent targeting? MRV's were of no major consequence. MIRV's, because of the SS-9's hefty throw-weight, were a real worry, threatening the survivability of the Minuteman force. While the CIA saw evidence of MRV's, Kissinger—who had a general concern about CIA over-optimism—asked NSC staffer Larry Lynn to explore the issue further. Lynn, in turn, was persuaded by DDR&E experts that there was good reason to suspect the approach of Soviet MIRV development. Kissinger decided that the MIRV intelligence dispute called for White House resolution. A "MIRV Panel" would bring together representatives of the CIA, DDR&E, and other intelligence offices in a White House-controlled study.

As it evaluated data on Soviet MIRVing, the MIRV Panel established a model for interagency policy analysis that the White House considered more satisfactory than the NSSM 28 operation under ACDA. Each of the intelligence offices contributed its analysis of the MIRV intelligence data. Kissinger, in a series of long meetings, probed the experts for evidence on each side of the question. As he and his staff familiarized themselves with the subject, they were able to structure the questions for later meetings. The value of this process was not so much in identifying one correct answer. A year later it turned out that the CIA had been on the right track in discounting the MIRV possibility and that chasing DDR&E's hypotheticals might not have been worth the fuss. But the MIRV Panel had proved valuable in identifying and narrowing issues at the time. It brought relevant information and arguments to bear on each side of the issue, educating and building expertise in the White House in the process. The Nixon White House was concerned about details and outside chances on SALT, and the MIRV Panel surfaced them for White House review and consideration.

Satisfaction with the MIRV Panel, combined with ACDA's problems in NSSM 28, served to put the White House and its "Verification Panel" squarely in charge of interagency SALT preparations. Progress with NSSM 28 stalled in June, when ACDA presented a SALT options paper to the National Security Council. At the meeting on June 25, Chairman Wheeler of the Joint Chiefs stomped all over the ACDA paper. Wheeler vehemently protested to the President that the study's verification analysis was totally unacceptable. His protest effectively brought the SALT process to a halt.

A procedural change was clearly in order, and it was Gerard Smith, Director of ACDA, who offered the logical suggestion a few days later: a "higher level verification panel" should be set up to deal with verification questions. The White House responded by setting up the two-tiered Verification Panel structure. Kissinger chaired the high-level panel, which included Deputy Secretary of Defense David Packard, Chairman Wheeler, Undersecretary of State Eliott Richardson, CIA Director Richard Helms, ACDA Director Smith, and Attorney General John Mitchell. (Presumably Mitchell was there to keep an eye on Kissinger.) Below the Verification Panel (VP) was the Verification Panel Working Group (WG), chaired by Larry Lynn of the NSC staff, and including staff assistants of each Verification Panel member (except Mitchell). Within a few months this Verification Panel system was responsible not only for verification analysis, but for a complete strategic assessment of SALT negotiating options.

The Working Group operated much like the MIRV Panel, preparing exhaustive reports under White House guidance on all major strategic systems, their interactions, and the effect various negotiating options would have on strategic sufficiency criteria that had emerged from NSSM 3. Conflicting agency analyses were critiqued, reworked, and then debated by the Verification Panel (or NSC). The guiding procedural objective was to keep the top decision-makers aware of interesting policy options and relevant arguments, but to avoid having agency officials fix on actual policy options before the White House was ready to make its choices.

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3. The 1970 SALT Proposal

The VP-WG machinery proved to be an effective means of familiarizing the White House with pro's and con's of a range of negotiating options—enough so that the President and his advisors could respond more flexibly to Soviet positioning once negotiations began in November. But neither NSSM 28 nor this VP-WG interagency apparatus was applied to decisions on the development of ABM and MIRV in the months leading up to the SALT negotiations. The March, 1969 Safeguard choice had been settled separately between the White House and the Pentagon. It was barely approved by Congress in August. Similarly, a MIRV moratorium was ruled out during the summer, after only informal consultations between NSC staffers and agency officials.

Safeguard had been packaged with an eye toward limiting opposition in Congress. But by 1969, Vietnam had established a climate on Capitol Hill in which defense budgets were subject to close scrutiny, and Safeguard's technical problems did not go unnoticed. Secretary Laird and other officials testified at hearings throughout the spring in favor of procuring the system. They suggested it would be a valuable bargaining chip at SALT. They also pointed to giant Soviet SS-9 missiles and potential Soviet MIRV development as potential threats to U.S. Minuteman forces. Safeguard, they said, could counter the Soviet first-strike threat. Opponents of the Safeguard challenged both the existence of the threat and the effectiveness of the system as a defense. No threat to Minuteman had yet emerged, they insisted. Procurement in anticipation of such a threat would require large outlays of funds for a system which was not properly designed for the hard-site mission. Scientific experts testified that the present U.S. ABM system was so vulnerable to attack itself that it could never prevent an attack on Minuteman.

When the final vote came on August 6, the Senate failed by a single vote to strike Safeguard from the authorization bill. It was a mixed victory. The U.S. would enter SALT negotiations with an ABM program that might encourage a more venturesome Soviet arms control stance. The system being purchased, however, was poorly designed for its announced mission. The debate had raised doubts in a public forum about the only ABM technology the U.S. had developed. And the tie vote in the Senate was a clear signal to the White House that ABM would be a political problem for a long time.

The MIRV test-moratorium issue surfaced briefly in June after Senator Edward Brooke sent a private letter on the subject to President Nixon. Nixon followed with a request that the NSC staff consult informally with agency officials on the merits of delaying tests until the Soviets could be heard from at SALT. ACDA officials and Senator Brooke's aides had been telling NSC staffers for months that the ongoing flight tests of MIRVed missiles might jeopardize chances for a MIRV agreement at upcoming talks. They reasoned that continued testing would provoke a Soviet commitment to match U.S. MIRV achievements, and might also complicate verification problems. On the other hand, the Pentagon firmly opposed any interference with ongoing MIRV development plans. MIRV was still the focus of the services' force planning. Both civilian and the military officials insisted that delaying the deployment of MIRV's on U.S. missiles meant sacrificing the strongpoint of the U.S. strategic program. No doubt a test moratorium also seemed like a difficult policy to turn off. Any negotiations on MIRV controls might drag on interminably, with no U.S. MIRV testing, and with little incentive for the Soviets to expedite the talks. Finally, for the weapons designers, the idea of controls on qualitative improvements like the MIRVing of missiles raised the specter of restraints on other technological improvement programs.

The testing program never was interrupted. The issue went to President Nixon himself in June. Given the impact MIRV development could have on prospects for bilateral controls, this was a more appropriate level for the decision-making than had been the case in 1968 when the Pentagon's SALT Committee had ducked the issue to avoid a controversy. But in 1969 the White House still made its choice without the benefit of any organized interagency analysis of the moratorium delay. ACDA, with a long-run arms control perspective and a good deal of expertise on weapons issues, might well have presented a strong case for holding up the testing program. The White House apparently saw no chance that it might be persuaded to split with the firm Pentagon position on the basis of any NSSM 28 or VP-WG-type policy analysis. And despite Senator Brooke's inquiry, there was no real pressure for a delay from Congress. Brooke offered a Senate resolution in June proposing a bilateral MIRV test moratorium, but potential sympathizers seemed too preoccupied with the ABM debate to mobilize on a second front.

The first round of exploratory talks with the Soviets finally began in the eleventh month of the Nixon Administration on November 17, 1969, at Helsinki. Neither side seemed interested in discussing MIRV or any other qualitative issues. ABM, however, was a major topic of discussion. The Soviets were a lot more interested in controls than they had been at Glassboro two years earlier.

When the U.S. delegation returned to Washington to prepare for talks in April, the VP-WG apparatus had churned out analyses of a range of

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negotiating options for each central weapons system. Kissinger and Lynn had taken care that the options were evaluated as somewhat independent building blocks which the White House could shuffle and reshuffle into aggregate proposals once negotiations were underway. Nine groups of these options were reviewed by the NSC in November. On ABM, seven proposed unspecified ABM limits; an eighth called for a limit of 500 interceptors; a ninth proposed only one site at each national capital (NCA). On MIRV, four of the nine had some provisions for controls. The thrust of the analysis seemed to favor little control on MIRV technology, and moderate controls on ABM that would allow a capability to defend against third-country attacks.

In January the White House designed the four SALT negotiating options from which a choice would be made. Surprisingly, only one option, Option A, allowed a full Safeguard system. Options B, C, and D each proposed that ABM deployment would be restricted to national capitals or banned altogether ("NCA-or-zero"). On the other hand, only one option, Option C, at all restricted the MIRVing of missiles—it banned both testing and deployment. Option D did not limit MIRV, but it called for steep reductions in the quantity of offensive missiles.

The four options were discussed by the National Security Council before President Nixon made his decision in March: the opening U.S. proposal would be Option C, a ban on MIRV testing and deployment, but with one very important qualification. In sharp contrast to the version of Option C that had been developed by the Working Group and then the Verification Panel, the White House selection would require on-site inspection of the MIRV agreement. This "on-site tag-on" to Option C made the MIRV provision a very weak one. Option C's ABM provision called for NCA to be discussed with the Soviets first, while "zero" might follow. Finally, if Option C with the on-site tag-on were unsuccessful, the U.S. would offer Option D, with its provision for missile launcher reductions instead of MIRV limits.

Why had Nixon chosen the NCA-or-zero ABM provision—after the NSSM 3, NSSM 28, and VP-WG studies suggested the desirability of a U.S. light-area or hard-site ABM capability? It appears this move toward severe ABM limits was less related to the White House-directed SALT policy studies than it was to the potential and technical problems facing any ABM program the Administration might want to implement. The Congressional ABM debate had already pointed out the technical inadequacies of Safeguard as a hard-site system, and the political opposition to ABM in general. The Army, which for two decades had been counting on having a thick-area system, had already had its expectations deflated by the shifts from Sentinel to twelve-site Safeguard and then to an eight-site Safeguard system in January, 1970. Nixon was prepared to deal with any support for ABM that remained among the military. Similarly, the White House had already found its own thin area ABM preference frustrated by OSD hard-site preferences. In an angry meeting some months earlier, the President and Kissinger had been told that a thin area ABM capability was being sacrificed in favor of hard-site in Safeguard's design.

The available ABM technology was the product of unreconciled design preferences which were implemented prior to the SALT strategic studies and outside the disciplined interagency analytic forum. The system that had resulted seemed unlikely to suit anyone's ABM objectives—if it survived Congressional budgeting. On the other hand, a proposal to limit ABM to national capitals or ban it altogether would be negotiable with the Soviets. A single ABM installation at Washington would satisfy the Pentagon's interest in gaining operational experience with ballistic missile defense. And the VP-WG analysis suggested that an NCA site which protected the national leadership had the advantage of extra response time in a nuclear attack. Finally, a severe limit on ABM seemed to match Congressional preferences, although it would turn out later that Congress had no intention of funding a lone ABM site at Washington, D.C.

The addition of an on-site verification provision to a proposal for a MIRV ban made little sense except as a political tactic. The Soviets had never been willing to allow on-site inspection of an arms agreement, and this proposal was particularly impractical. By prohibiting only the deployment and testing of MIRV warheads, the White House version of Option C raised the possibility that such warheads could be illicitly deployed after an inspection of the missiles themselves. So there was little reason to control MIRV deployment without controlling production or stockpiling of the warheads. The real logic of the on-site tag-on was in its attempt to appease supporters of MIRV negotiations. By June, 1970, the first major phase of MIRV flight testing was due to be completed. The prevailing view at the White House was that the U.S. MIRV advantage allowed the United States to bargain from strength at SALT. Moreover, military support for MIRV was so strong that the Nixon White House might not have been able to risk advocating a viable MIRV limitation proposal at this late stage in the development process. Nixon was undoubtedly aware that any strong protest from the military was likely to bring an outcry from conservatives in Congress whose support he valued. So the on-site tag-on by the White House would effectively obstruct any MIRV negotiations, while the apparent

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White House advocacy of MIRV limits might satisfy Congressmen and others who favored MIRV negotiations. At ACDA and State, of course, the implications of the on-site tag-on were not entirely missed, but no protest was mounted in the face of a firm White House decision.

4. Back and Forth Toward an ABM Treaty

The U.S. proposals were discussed with the Soviets at the second round of SALT in April, 1970. The MIRV proposal in Option C was raised and disposed of with little delay. Discussion of MIRV limits made little progress thereafter.

The White House had in effect kept MIRV off the active negotiating agenda by offering the on-site inspection provision coupled to the only MIRV proposal. Whether the Soviets would have been interested in a serious MIRV proposal was uncertain in any case. The Interim Agreement signed in 1972 placed no limits on the application of MIRV technology to missiles, although there were temporary quantitative controls on offensive weapons systems. By 1972 the U.S. had equipped Poseidon and Minuteman missiles with increasingly accurate multiple warheads. Only after SALT I had ended did the prospect of new generations of oversized Soviet missiles equipped with multiple warheads bring more determined U.S. efforts to negotiate MIRV controls.

U.S. policy on ABM during the remainder of SALT I was much more erratic. The Soviets were very interested in the NCA idea when it was discussed in April, 1970. It would leave the Galosh ABM site at Moscow intact, while avoiding any uncertainty about the Soviet capability to strike targets in the United States. Ironically, it was the Nixon Administration that came to regret the U.S. NCA offer. During five subsequent rounds of negotiations the U.S. ABM position underwent several transformations. Determined efforts were made by Kissinger in private channels and by the delegation at the official talks to shift back to an agreement that would allow some hard-site capability for the U.S. Agreement was finally reached at Moscow in 1972 to limit ABM deployment to national capitals and one ICBM site in each country. The final agreement did not look very different from the NCA proposal of two years earlier.

What was the "NCA trap" that had developed after the April, 1970 proposal? The first major problem with NCA was that Congress appeared to be unwilling to fund an ABM site at Washington, D.C. In the summer of 1970, the Senate Armed Services Committee cut all four city-defense sites—including one at Washington, D.C.—from the Administration's Safeguard request. Senators apparently reasoned that protecting only Washington, D.C. would not be very popular back home. Without Congressional funding, an NCA agreement at SALT would mean NCA for the Soviets and zero-ABM for the U.S. Clearly, Congressional preferences were one important area that had not received proper attention during the comprehensive options studies and during the White House deliberations prior to April, 1970. Now the problem was aggravated by mounting pressure from Congressional and media critics to reach an ABM accord with the Soviets—whatever the details, the NCA problem, or the Soviet resistance to limiting offensive systems.

There was other criticism within the Administration that the NCA position failed to take into account Minuteman vulnerability. The Soviets had rejected several U.S. proposals for controls on offensive missiles. Lacking offensive limits, OSD officials felt strongly that a Safeguard hard-site system should counter the threat to Minuteman from Soviet land-based forces. Nitze, Laird, and Packard were staunch supporters of a change in the U.S. SALT position to allow hard-site deployment. Their concern about a Soviet "counterforce capability" was reinforced in 1971, when the Soviets appeared to be readying a new generation of offensive missiles. In March of that year Senator Henry Jackson made a public announcement about Soviet deployment activity.

The snag over the U.S. NCA offer and the Soviet resistance to offensive controls was eventually overcome not at the talks themselves, but in the "back channel"—in private, secret negotiations between Dr. Kissinger and Soviet Ambassador Dobrynin. In May, 1971 both the U.S. SALT delegation and the general public were told that the U.S.S.R. would agree to certain unspecified measures restricting offensive weapons. It was also understood privately that the U.S. would be released from its NCA offer and allowed some sort of Safeguard deployment to match the Moscow ABM site, according to some ambiguous and ill-defined "principle of equality." In return, the White House agreed that the U.S. would relax its earlier insistance on equal-number limits on offensive missiles.

Kissinger's back-channel negotiations and the little-defined American-Soviet understanding came as a surprise to the U.S. delegation and to the agency officials on the Working Group and the Verification Panel. Kissinger's singular role in dealing with the Soviets represented a further step in White House control over SALT I policy-making. The VP-WG apparatus had brought the Chiefs, OSD, State, the CIA, and ACDA together for two years of work that had produced mounds of detailed reports for the White House on various negotiating possibilities. The success of that operation in White House terms included the growth of its

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own expertise and the freedom it enjoyed to make its own, studied policy choices whenever necessary. This included the ability of the White House to resort to the back-channel in 1971.

For the agencies, there was balanced access to the analytic process, at least in the bilateral SALT area. But at times White House decision-making seemed remote or not clearly related to their own participation in the VP-WG. The NCA-or-zero decision, the on-site tag-on, and the operation of the back-channel were three prominent examples.

Between the opening of the back-channel discussions and the signing of the Treaty in Moscow fourteen months later, the U.S. position on ABM shifted in several steps from an offer of four U.S. Safeguard sites for one Moscow site to eventual agreement on a "one-plus-one" provision—NCA plus one missile-defense site. Despite the earlier revival of the hard-site idea, and despite Nitze and OSD's continuing support for hard-site, the Administration agreed to leave the U.S. with no significant hard-site capability. The abandonment of hard-site was partly related to the bargaining effort to commit the Soviets to the principle of offensive limits. But the main reason was that Kissinger and most of the agencies were by this time persuaded by the analysis that their Safeguard system was a very poor hard-site system. Even the Army, which had channeled U.S. ABM technology toward an area-defense role for so many years, seemed tired of fighting for Safeguard.

The "one-plus-one" ABM provision was also accepted by the Administration despite the lingering possibility that Congress would refuse to fund the allowed NCA site. As might have been predicted, it turned out some months later that the Senate ratified the SALT Treaty on ABM but rejected any funding for NCA deployment. It seems curious, in retrospect, that the Administration agreed to the one-plus-one ABM provision at SALT, given the threat of a Senate rejection of NCA. The Senate Armed Services Committee had stripped NCA from another Authorization Bill only eight months before the NSC meeting that led to accession to "one-plus-one." Whether the White House NCA-plus-one decision was made with a full awareness of Congressional preferences is really not clear. At the NSC meeting, Kissinger reportedly asked whether NCA funding could be moved through Congress. There were a few rather cavalier positive responses, a few contrary groans from staff in the back of the room, and the discussion moved on. The whole episode suggested that since April, 1970, when the Administration led off the ABM bargaining with what turned out to be a very low U.S. choice and a Soviet first choice, the SALT machinery had done a poor job of thinking through the likely responses of either the Soviet Union or the U.S. Congress.

The SALT apparatus scored one unexpected success with the inclusion of radar limits in the ABM Treaty. During the hectic preparations in 1968 this complex, technical issue had been abandoned at the insistence of the Joint Chiefs. During SALT I, a great deal of technical, analytic work, steady advocacy by Paul Nitze and OSD, and White House activism seem to have made the difference. DDR&E, for example, had been effectively excluded from the 1968 preparations. But even before the new Administration took over, DDR&E officials began leading the search for practical methods of discriminating ABM radars from radars used for other purposes.

The resolution of the ABM radar issue provided a good example of the advantages of the Nixon SALT process. When the VP-WG machinery proposed a radar solution in 1971, the military again balked. The Soviets, they suggested, were so resistant to radar limits that the only limits which could be negotiated would constrain the U.S. but not affect any *sub rosa* Soviet activity. The controversial radar question went to the President himself in 1971, and was settled in favor of the negotiating effort. OSD made a strong case for including radar limits. Both ACDA and the State Department supported a negotiating effort, but had serious doubts as to whether the Soviets would agree. With all the arguments laid out for his benefit, Nixon chose to overrule the military and go after a radar agreement.

The 1972 agreements included several technical provisions restricting the use of radar for the two allowed ABM sites. These ABM provisions and the provisions for temporary quantitative limits on offensive systems were all to be verified by national technical means, and they set the stage for several more years of American-Soviet strategic arms talks.

D. After SALT I

After Senate ratification of the SALT I accords, the Interim Offensive Agreement and its provisions for Soviet numerical advantages in missile launchers drew criticism from conservatives. The result in 1972 was an implicitly critical Senate Resolution followed by a shift in personnel on the U.S. delegation and backup team—in a direction decidedly skeptical about achieving security through arms control. It is difficult to say what effect that shift had during subsequent SALT negotiations. The ABM Treaty was amended at the 1974 Summit to restrict each superpower to only one ABM installation. But no agreement was reached on MIRV controls after almost two years of negotiations. The two sides were unable to come up with a formula for balanc-

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ing the U.S. MIRV lead against a Soviet "throw-weight" advantage that would satisfy some notion of "essential equivalence."

The failure of the Nixon Administration to reach a MIRV agreement reflected a wide gap between American and Soviet expectations, and perhaps some drop in the vitality of the interagency analytic machinery in Washington. The VP-WG continued generating negotiating possibilities under SALT II, but the trend continued toward domination of the SALT process by Kissinger and the White House. It may be that difficulties the Working Group faced in coming up with a successful MIRV negotiating formula were aggravated by declining enthusiasm among agency participants or by a lack of confidence that there was much to be gained by making a hard bargaining effort in the interagency VP-WG forum.

II. ANALYSIS: IMPACT OF ORGANIZATIONAL ARRANGEMENTS ON U.S. DECISIONS AND ACTIONS

A. ABM

The differences in the SALT ABM positions taken by the Johnson and Nixon Administrations reflected differences in the managerial role of each White House and changes in prospects for Congressional ABM funding. The policy preferences of the agencies were quite stable. The Army played a critical role in each case, being the service responsible for the development of ABM systems. It was supported by the other services in its quest to acquire a large ballistic missile defense program, but this was attributable more to traditional inter-service logrolling than to Navy or Air Force zeal for the program. OSD's staunch advocacy of hard-site was only emerging in 1968. During that first episode there was still a good deal of support for a thick system. ISA, which had a strong voice in the 1968 preparations, shared ACDA and the State Department's continuing preference for tough ABM controls.

The main difference came in the role of the White House. The Johnson White House tended to be relatively passive as far as details or even important provisions were concerned, while exerting strong pressure for a reasonable proposal to be put before the Soviet Union. The result was a provision in the 1968 SALT package calling for "set and equivalent" limits on ABM— a provision which was studiously indefinite with respect to the level of controls or the type of ABM system which would be allowed. The controversy over an ABM mission was well-developed by 1968, as was the question of the general desirability of ABM. The Johnson White House was unwilling or unable to step in and resolve those tough questions in the political context of 1968. Neither the White House nor Halperin and the ISA Group was willing to risk the SALT initiative by provoking a battle with the military over the particulars or even the broad parameters of a U.S. ABM position. The solution was an indefinite ABM provision, and acceptance of the military veto of an ABM radar provision.

The Nixon White House, while less passionately committed to putting forward a SALT proposal, showed a stronger Presidential interest in controlling the policy analysis and policy-making processes, as well as in safeguarding American security against proposals which looked too favorable to the Soviet Union. At several different points during SALT I the Nixon White House was willing to make the hard choices between proposals allowing deployment of hard-site ABM, of thin ABM, of NCA, or of zero ABM.

But Nixon and Kissinger's ABM choices never flowed smoothly from the elaborate policy studies the White House coordinated under the VP-WG. There were erratic movements between Safeguard in 1969, NCA (or zero) in 1970, Safeguard again in 1971, and one-plus-one in 1972. The problem appears to have been an inability to coordinate the actual development of U.S. ABM technology with the studious development of bilateral arms control preferences. Weapons development choices were usually made long before arms control deliberations, beyond the scope and the concerns of the broad interagency analytic apparatus, and even outside the reach or notice of the White House. Thus, by the time the White House chose the NCA-or-zero ABM proposal in April, 1970, it faced a lack of viable alternatives for U.S. ABM deployment. The Safeguard system then being requested for hard-site deployment had been previously developed by the Army over a decade with an eye toward large-scale population defense. It was not suited for hard-site use. Similarly, the White House interest in deploying an ABM system with thin area capability had been thwarted by OSD's independent actions in favoring its own hard-site preference to the detriment of any thin area capability. Whatever Nixon's arms control preferences on ABM, and whatever the recommendations in NSSM 3 for a thin ABM system, the White House had not matched its control over SALT policy-making with sufficient awareness, watchfulness, or control over incremental Safeguard development choices.

A second problem with decision-making on ABM was the failure of the Administration to anticipate Congressional resistance to NCA. By mid-1970 the White House found that it had raised for discussion

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the Soviet first-choice on ABM at the SALT talks, and its offer turned out to be unworkable on the American side. The VP-WG apparatus had done a fairly comprehensive job reviewing the strategic merit of various SALT alternatives, but little systematic effort had been made at predicting likely Congressional and Soviet reactions to negotiating proposals. The result was more than a year of backpedaling from NCA in both back and front channels before it was agreed that the U.S. be allowed some alternative ABM deployment.

The military mounted surprisingly little resistance to the NCA proposal or to the one-plus-one provision which was finally accepted. The willingness of the Joint Chiefs to go along with low ABM limits was partly a matter of their declining expectations about deployment of a system with appeal to the Army and Air Force. At the time of the Johnson Administration's SALT preparations, the Joint Chiefs had high hopes that the small ABM system approved reluctantly by Secretary McNamara would grow into a large area defense system. Thus, they were slow to agree to any proposal for ABM limitations, and certainly a proposal that would ban deployment altogether. (Witness Maj. Gen. Allison's immediate veto of the inclusion of zero-ABM in the broad 0–1,000 proposal.) By the time of SALT I and the Nixon Administration's decisions for NCA-or-zero, the ABM program had already been changed by the Administration to concentrating—at least initially—on missile-site defense. Moreover, the Congress, in perhaps the most critical role that it has played in any arms control negotiations, had raised grave doubts about its willingness to ever approve a large area ABM system. So the Joint Chiefs faced a situation in 1970 in which the Russians might go forward with such a large ABM system while the United States would not have one. No doubt this substantially increased their willingness to accept lower levels of ABM.

Moreover the influence of the Joint Chiefs was considerably less in the Nixon Administration than it had been in the Johnson Administration. In part this resulted from the decline in importance of the Vietnam War. During the war President Johnson was in frequent conflict with the Joint Chiefs, and was not in a position to take on the Chiefs in other areas like SALT. Under Nixon the pressure for escalation came at least as much from the White House as it did from the military. And as a Republican President, particularly one with strong ties to the conservative wing of the Party, Nixon could be much more confident about getting an arms control proposal through the Senate with only lukewarm support from the Joint Chiefs of Staff. Nixon, of course, could never ignore military views, nor the possibility of alienating the right wing. (The Administration never pressed for zero-ABM, largely in recognition of military preferences.) But Nixon was generally less vulnerable in his situation than Johnson had been to any complaints the military might make to their Congressional allies about the President's policies.

In both Administrations, the State Department and the Arms Control and Disarmament Agency demonstrated that they had almost no constituency of any significance either in the Congress or the public, with the exception of the broad, generalized public support of arms control arrangements. In neither Administration did the President have to fear that if he overruled the ACDA or the State Department they would be able to generate substantial pressure on the President from their Congressional allies or from powerful interest groups. There was no such threat in 1968 when prospects for negotiations on MIRV or ABM radar were ruled out, nor in 1970 when Nixon's on-site tag-on dashed hopes for reaching a MIRV agreement. The inability of ACDA and the State Department to back up their positions with political support in such cases is the most important difference between the roles of military and the civilian officials in the government working on arms control matters.

In 1968 the main check on the flow of information and the consideration of alternative negotiating options was the desire of the Johnson White House to have agreed SALT positions within the Administration. When the Joint Chiefs balked on including radar limitations in the ABM part of the SALT agreements, there was no inclination on anyone's part to take the matter to the White House. It was clear that Lyndon Johnson would not want to be confronted with a disagreement between his military and civilian advisors on the radar limits. Such a disagreement would have required him to get involved in technical details which neither he nor his White House advisor, Walt Rostow, had any interest in, and it would have required him to choose between the military and civilian officials. Although there was some desire on the part of technical officials in ACDA to take the radar issue to the Committee of Principals, if not to the President, Secretary Rusk and Secretary Clifford resisted, believing that Johnson did not want such a confrontation. Nixon, on the other hand, designed procedures which would force controversial issues to White House attention. No important decision was made on radar during SALT I until the President and his advisors decided to seek a radar agreement.

However it was to be resolved, the radar issue required a great deal of technical analysis and discussion before it could be properly considered. The

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exclusion of DDR&E from the early part of the Johnson Administration's preparations reduced the amount of information available on various options, especially on radar. In contrast, the elaborate analytic machinery that culminated in the VP-WG under the Nixon White House led very quickly to the introduction of radar information and viable alternatives for controls. While such information might have been produced by ACDA or Systems Analysis during the process of negotiations under LBJ (if negotiations had actually begun), the radar problem had not been solved by the time the Chiefs yanked the radar provision out of the 1968 package and wrapped their ribbon around it.

One can speculate about whether the vague provision for ABM limits in the 1968 SALT package might later have been narrowed to propose controls as restrictive as those accepted in SALT I. The 1970 decision to negotiate for low ABM deployment was the result of procedures and discussions not only within the Nixon Administration itself but also in the Congress and the media. Through their impact on Congress, groups external to the Administration played a major role in the ABM decision. Congress was prepared to take major initiative in preventing wide-area ABM deployment only because of the confidence in its judgment which developed out of the testimony from scientists and former government officials in the spring of 1969. The testimony of these individuals conveyed the message both to Congress and to the Administration that the Safeguard-Sentinel system was more of a white elephant than had previously been recognized.

B. MIRV

The fact that both Administrations chose to push ahead with development of MIRV technology and avoid SALT entanglement might tempt one to conclude that organizational arrangements for analysis and decision-making are unimportant on any issue of such major concern to the Joint Chiefs of Staff. To some extent, this is the case. Given an arms control proposal that requires ratification by the Senate, no President, no matter how firmly established, is likely to risk a substantial confrontation with the military on an issue on which the Chiefs are prepared "to fall on their swords."

Alternative organizational arrangements such as those under Presidents Johnson and Nixon may not affect the character of the MIRV options to be seriously considered, but rather the level in the bureaucracy at which MIRV options are evaluated. The organization of the VP-WG under White House supervision at least made it possible for President Nixon to overrule the military on MIRV if he chose to. The VP-WG structure might also have allowed him to establish enough of a dialogue with the military to secure their compliance with a MIRV agreement—that is, to keep them on board and supporting the SALT negotiations and the ratification of any agreement.

As with ABM, the primary pressures that affected U.S. arms control policy on MIRV were deployment decisions and actions. Unlike ABM, MIRV development and deployment moved forward under both Administrations with little resistance within the Pentagon, from the White House, or from the Congress. Senator Brooke's effort to raise the MIRV moratorium issue in 1969 was drowned out by Congressional opposition to ABM. So the Joint Chiefs were confident that in the absence of SALT controls on MIRV, they would be able to substantially complete planned MIRV deployments. In such a situation they naturally exerted strong pressure not to have those forces limited by agreements. Offensive forces were already being subjected to quantitative limitations. The military was determined to increase effectiveness through qualitative improvements, and MIRV technology was at the heart of these efforts.

The political environment in 1968 and the White House insistence on civilian-military compromise virtually ruled out the possibility of MIRV negotiations. Halperin and the ISA group learned early in the preparations that the Chiefs would not be willing to approve the SALT package if it included MIRV provisions. Because of desire to move forward on ABM and on quantitative offensive limits, the draft proposal contained no MIRV language, and no MIRV option was considered by the Committee of Principals. Meanwhile, flight tests scheduled in the independent development channel were due to begin. Agencies like ACDA and State, which might have been able to make a case for delayed testing in anticipation of negotiations, were even further removed from decisions on MIRV development—despite the arms control impact of these decisions. Raising arms control considerations in the context of weapons development was apparently seen as something of an intrusion into Pentagon and White House affairs.

During the Nixon Administration, MIRV issues were subjected to the open debate and analysis of the VP-WG. But it is unclear whether the White House ever seriously considered negotiating for MIRV limits during SALT I. The decision in June, 1969 to continue flight testing was once again made by the White House after only informal consultation with ACDA and other agencies. And this early decision had important implications for the bilateral negotiations, which were being prepared for in the interagency studies under NSSM 28.

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III. EVALUATION OF U.S. GOVERNMENT PERFORMANCE

A. *A Reasoned Conception of U.S. Objectives was Present:* 1968: fair; 1969–72: good.

In 1968 the most common objective was initiating negotiations with the Soviets. On strategic issues, there were at least two divergent views of U.S. objectives: parity and "assured destruction capability," or superiority and "damage limitation." The political leadership was not willing to settle the issue.

In the Nixon Administration NSSM 3 and NSSM 28 produced several months of organized discussion of U.S. strategic objectives. Before SALT began, a number of agency officials signed off on a statement of objectives that included parity, crisis stability, and limited spending.

B. *The Best Obtainable Information Relevant to the Decision was Made Available:* 1968: good; 1969–72: good.

With photo reconnaissance and other techniques U.S. intelligence services were by 1968 producing data on Soviet weapons deployments and tests down to a visual level of yards and feet. Interpretation and extrapolation from the data were problematic, but were finally approaching conclusions on Soviet ABM radar capability, for example. We knew very little about Soviet intentions at SALT. Nor was there much technical information available about the types of qualitative yardsticks on which ABM radar limitations could be based.

Between 1969 and 1972 even more information was available this round on Soviet forces. Conflicting analyses of intelligence data were subject to disciplined arbitration—as with the MIRV Panel and the question of a Soviet MIRV capability. On radar, there was data available on qualitative dimensions suitable for limitations. On ABM, discussion of NCA, then zero, and then the subsequent retraction of NCA showed a lack of understanding of both Congressional preferences and Soviet intentions.

C. *The Implications Flowing from the Information were Effectively Canvassed:* 1968: fair; 1969–72: good.

In 1968 short deadlines and the requirement for compromise restricted the analysis of trade-offs between various strategic systems, the value of the Sentinel system, or the likely results of pushing ahead with MIRV and avoiding negotiations on MIRV and radar.

Once again in the 1969–72 period there was little foresight on the MIRV exclusion, although most issues were analyzed and reanalyzed in the Working Group.

D. *A Full Range of Alternatives was Considered:* 1968: poor; 1969–72: excellent.

In 1968 the modified SALT Committee package which the Chiefs signed off on was the only one presented to President Johnson—or even to the Committee of Principals—and the military indicated that components of the package were not to be tampered with.

In the Nixon Administration the Working Group and Verification Panel machinery was specifically designed to spot worthwhile alternatives. (Although some important options, e.g., hardsite ABM, were foreclosed because earlier weapons development decisions had already narrowed our deployment possibilities.)

E. *A Full Range of Relevant Considerations was Applied:* 1968: poor; 1969–72: fair.

Under Johnson there was a great deal of consideration not to ruffle military feathers, but little consideration of the effectiveness of costly weapons systems (N.B., Sentinel ABM), nor of Soviet intentions and the negotiability of various provisions in Vienna as opposed to Washington, D.C.

Under Nixon there was some failure to think about negotiating strategy and Congressional preferences, at least until late in the SALT I process. Our first NCA offer was made in spite of its being a Soviet first choice and a Congressional low choice.

F. *All Appropriate Participants were Consulted:* 1968: poor; 1969–72: good.

In 1968 the participation of several agencies was excessively limited. DDR&E people, familiar with and sensitive to the radar issue, were hardly consulted. Similarly, ACDA was effectively excluded from any MIRV flight-testing decision.

In the second period the Verification Panel machinery provided good access to appropriate bureaucratic interests during SALT I preparations. SALT-related weapons development decisions (such as MIRV testing) were still restricted Pentagon and White House affairs.

G. *The Decision was Taken at the Lowest Level Possible:* 1968: poor; 1969–72: excellent.

In 1968 most SALT decisions were of sufficient military and political import to merit top-level decision-making. Resolution of issues well below the Committee of Principals was probably a mistake, although given the weakness of the White House at the time, higher level debate with White House involvement had little chance of affecting the decision.

Between 1969 and 1972 the top leadership involved itself even with issues like ABM radar, which in this case was definitely resolved in favor of seeking controls.

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H. & I. *The Decision was Clearly Communicated to Those Responsible and the Actions of the Responsible Officials were Monitored:* 1968: not applicable; 1969–72: good.

In the 1969–72 period the issuance of NSDM's and the constant shuttling of the negotiating team between SALT and Washington continually linked policy-makers to implementors. (In the back channel, the White House made the decisions and provided the envoy.) But toward the end of SALT, there was some private dealing by SALT delegates with their Soviet counterparts. This may well have been a symptom of the decline in morale after the back channel became dominant.

J. *The Results of the Decision were Noted and Assessed:* 1968: not applicable; 1969–72: good.

During the Nixon Administration, following the tabling of a U.S. proposal, the White House was usually quite flexible on responding to Soviet reactions.

K. *The Resources Committed to the Action were Commensurate with the Task:* 1968: fair; 1969–72: excellent.

In 1968 a small group of officials were involved over a very short period. The process was not geared to resolving contentious issues on the basis of open and well-documented arguments.

In terms of the time and effort spent considering policy options at high and low levels of the bureaucracy, there was perhaps more than enough of an investment in the 1969–72 period. Some effort to "psyche out" Soviet intentions and bureaucratic politics was lacking under both Administrations.

L. *The Decision Process was as Public as was Consistent with its Nature:* Not a process very conducive to public disclosure.

M. *The Decision was Broadly Consistent with the Public's Sense of U.S. Interests:* 1968: good; 1969–72: good.

For both periods, while slowing the arms race was an objective very much shared by the wider public, public and Congressional opinion was given little direct consideration in the process. Public pressure to limit defense spending has surely spurred U.S. interest in SALT.

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CHAPTER 4

Conclusions and Recommendations

This review of U.S. decision-making on SALT and CBW illustrates a number of more general organizational issues and problems in the formulation of arms control negotiating positions. Here we will discuss five such problem areas, suggesting possible improvements in organizational structure and procedure where appropriate.

I. IDENTIFYING ARMS CONTROL ISSUES

The formulation of an arms control negotiating position cannot begin, of course, until an arms control issue is recognized as such. Unfortunately, this does not always happen—at least not until too late. MIRV provides the outstanding example of delayed recognition of an important arms control issue. By the time its arms control implications were noted and fully aired, its deployment was practically assured. Similarly, the arms control implications of the introduction of chemical agents into the war in Vietnam went almost unnoticed.

One of the clearest lessons of these cases concerns the extent to which the arms control agenda is constrained by technological developments and by weapons acquisition choices made unilaterally in the Pentagon. One of the principal differences between MIRV and ABM, and between chemical and biological weapons, was that the former worked well, while the latter showed much less promise. MIRV was a "sweet" technology, cost-effective, and therefore hard to relinquish. By contrast, one of the principal motivations for negotiating for low ABM limits was that the Safeguard-Sentinel system—the only ABM technology available to the U.S. by 1970—seemed incapable of performing any of several possible missions. For a variety of reasons—not the least of which was the Army's desire for an independent, area-defense role—the U.S. had never developed the hard-site capability which was in demand when SALT negotiations were underway. Similarly, the thin ABM capability which interested the White House while SALT ABM policy was being made had been neglected by the implementors of weapons development policy who were seemingly outside the reach of the White House. Attention to the details of negotiating policy was ineffective in that case without more continuous White House attention to the technical details and choices of weapons development.

A critical factor in determining whether a particular weapon ever reaches the negotiating table is the stage in the weapons development process at which its arms control implications are discussed. If there were valid arms control reasons for stopping MIRV, clearly the time to do so was well before the final production and deployment decisions had been made, not when the system was undergoing advanced testing. Those decisions were taken, however, without input from arms control advocates in the Executive, Congress, or the public. Thus, the choices were made without regard for the system's arms control impact. Hence, by 1968–69, when MIRV finally became a recognized arms control issue, it was virtually unstoppable, having already built up a sizable constituency among its developers, both military and civilian. By contrast, there was far less to lose politically by aborting the Safeguard ABM, which was still in embryonic form.

One possible solution to this "early warning" problem would be a "Weapons Impact Statement," prepared by an interagency study group at a relatively early stage in the development of a new weapons system, before advanced development. Such a statement would analyze, among other things, the arms control implications of the new weapon and its projected role in the overall U.S. defense posture. In this manner the arms control implications of MIRV might have been recognized as early as 1965–66, for instance. Similarly, by closely examining its technical characteristics, the inadequacy of Safeguard for the hard-site mission might have been identified, and the redundancy and unreliability of biological weapons might also have been brought to light by such a statement.

Not all arms control issues arise from the development of new weapons. Some, as in the introduction of chemical agents into the war in Vietnam,

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involve the use of weapons already in stockpiles. These cases pose a special problem for the identification of arms control issues. Mechanisms are needed where the use, or sale, of existing weapons poses a serious threat to American arms control objectives. If ACDA were given a "hunting license" for identifying such issues, a NSSM process could be used to analyze arms control implications and take them into account in the key decisions.

II. PROVIDING ADEQUATE TECHNICAL ADVICE FOR DECISION-MAKERS

A weapons impact statement would be of little use if the Pentagon had a monopoly on the technical expertise required to understand it. The services would then be the sole judge of their own proposals. What is necessary in order for the President and his top advisors to understand the often complex technical issues involved in arms control is a reliable source of independent technical judgment. ACDA can provide a competing technical judgment on weapons from an arms control perspective. But there is also a strong argument for a source of such judgments independent of all agencies. In the 1960's, this was provided by the Office of Science and Technology and the President's Science Advisory Committee on CBW. The subsequent dismantling of this science advising system left the National Security Council without an in-house technical capability matching the analytical challenge, forcing it to rely on *ad hoc* arrangements for obtaining outside technical advice. Such arrangements have performed satisfactorily on occasion. But in general, and in many important specifics, the requisite technical expertise has not been available. Moreover, the lack of institutional ties to the White House is likely to severely limit the ability of such outsiders to secure the cooperation of all of the various agencies involved. A more regularized, formalized source of the needed technical expertise is clearly preferable. To serve this purpose, a "Council for Science and Technology" might be established within the Executive Office of the President to provide him with this much-needed technical advice.[1]

The President and his aides must not only be fully informed about our own weapons systems to make well-reasoned arms control judgments. They must also have accurate estimates of foreign capabilities. Thanks to the CIA's development of high-resolution reconnaissance satellites, they do have such intelligence available to them. Yet, despite the CIA's generally good track record on SALT (as on Vietnam), this does not mean that the CIA's judgment can be accepted unquestioningly. Although the MIRV Panel of 1969 eventually concluded that the CIA had been accurate in its assessment of Soviet MIRV capability, the process of resolving the MRV-MIRV question served to reinforce the confidence of the top leadership in the CIA's intelligence estimates, thus convincing them that widespread Soviet cheating under any prospective SALT agreement could not go undetected. This in itself was valuable. Moreover, as CBW illustrates, the CIA can be wrong. In matters of such high importance as international arms control negotiations, mechanisms for double-checking seem appropriate. A critical review of intelligence estimates by a structure like the Verification Panel seems well worth the additional time and trouble it entails—though its operation raises serious questions about the Director of Central Intelligence's role as co-ordinator of the intelligence community.

III. CENTRALIZED MANAGEMENT AND COORDINATION

Even a fully adequate source of independent technical judgement will be of little value if it is not used. One of OST's and PSAC's concerns in contributing to the 1969 NSSM study on CBW was their chronic neglect during the preceding administration. Independent and highly critical technical information on CBW had been available in 1966–67, but it could not get a hearing. By confining the reporting of each agency to only its own activities, Johnson's system of centralized management tended to restrict the flow of critical information to the top leadership. Moreover, LBJ's clear preference for consensus among his advisors and, failing that, his requirement that a senior advisor put his personal influence on the line in recommending an unpopular option minimized alternatives to the *status quo*. By contrast, Nixon's original NSC system of 1969 reversed those tendencies, actively encouraging dissenting information and a broad range of options. By discouraging the presentation of formal agency positions, the NSSM study process was also designed to make the agencies' analyses more objective and less biased towards their own preferences (although in practice, some agency bias was inevitable). This lack of formal ties between agencies and the options they developed further facilitated the generation of negotiating proposals and their evaluation by the NSC staff. Raising or critiquing options is far less costly, in bureaucratic terms, when those options are not identified with a

[1]For an elaboration of this proposal, see "Science and Technology in Presidential Policymaking," Report of the *ad hoc* Committee on Science and Technology of the National Academy of Sciences, June, 1974.

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particular agency. The gradual evolution of the Nixon foreign policy apparatus into a closed two-man operation, however, had a predictable effect upon its ability to break with the *status quo,* as criticism of existing policy became criticism of Nixon and Kissinger themselves. The re-establishment of an independent Verification Panel or similar mechanism within the NSC for defining and evaluating alternatives could serve to reduce this excessive personalization of U.S. foreign policy.

An administration's style of centralized management also strongly influences the level at which important decisions and trade-offs are made. In 1968, President Johnson pressed the Government for *a* negotiating position—any negotiating position on which the Permanent Government could agree. He made it clear that he wanted only to see the finished product ready for talks with the Soviets; he did not want to be bothered with the bureaucracy's debates on the subject. The system clearly had a price. Under such an agency-controlled system, highly controversial issues—which are often the most important ones—tend to be brushed aside for want of bureaucratic agreement. No action is taken, and the issue is thereby "decided" by default. And so it happened in 1968: the bureaucracy's consensus proposal excluded MIRV virtually without discussion and bypassed the ABM radar issue without careful examination.

But arms control is necessarily a Presidential matter. The process of establishing arms control negotiating positions inevitably involves hard trade-offs between arms development and international agreement as guarantors of national security, difficult judgments about the balance of risks, decisions about the character of relations between the United States and nations with the power to destroy the United States as a viable society. Indeed, it encompasses the formulation of the basic foreign policy posture of an administration before Congress and the public. In short, the President is inescapably involved. Nixon's NSC system quite properly raised these issues to the Presidential level. It allowed the new government to take charge of arms control policy-making, to work through reams of intelligence data and analysis, to review the whole spectrum of options, and to become familiar with the nuances of various policy alternatives. Moreover, it served to involve and educate the individuals whose confidence in the arms control policy-making process was essential to its success. Again, however, where Johnson's problem had been excessive decentralization, Nixon's soon became precisely the opposite. As he and Dr. Kissinger withdrew into their closed circle of two, they sacrificed the confidence and morale of the agencies, and the policy-making process suffered as a result.

IV. THE BUREAUCRATIC BALANCE OF POWER

The form of a President's decision-making structure also weights the balance of power among the various departments and agencies involved in arms control issues. Under Lyndon Johnson, some (notably the military) were decidedly "more equal" than others. Clearly the Joint Chiefs of Staff, as the President's principal advisors on military matters, must formally approve any major arms limitation treaty if it is to win popular and Congressional support. At least in the past, and probably in the future, no such agreement could be successfully concluded if the Chiefs are adamantly opposed to it—if they were prepared to "fall on their swords" over it. Thus the military must be involved in the process of formulating U.S. arms control negotiating positions. They should not, however, wield veto power over those positions. Arms control—like war—is too important to be left to the generals. Nixon's NSC system of 1969 was an effective mechanism for both involving the Chiefs and curbing somewhat their excessive influence under Johnson, though the Chiefs' influence related more to Vietnam than to any other factor. Under Nixon, the NSC's formalized procedures assured the military that their views would be considered by the President in reaching his decision, while also allowing Nixon to gauge the intensity of the Joint Chiefs' feeling on particular issues. Thus he was able to discover that the military's support for biological weapons and the Safeguard ABM was somewhat less than overwhelming.

Unfortunately, however, agreements limiting some weapons have all too often served as the opportunity for the military to secure full-scale development of other, more highly-prized weapons. The Joint Chiefs' approval of the 1972 SALT accords, for example, carried a multibillion-dollar price tag on it, including development of the B-1 bomber and a speed-up in the Trident submarine program. But clearly, arms limitation efforts should not be self-defeating, by aggravating the arms race in areas not covered by an agreement. One partial way of addressing this problem is the proposed "Weapons Impact Statement" mentioned previously. By requiring the Government to spell out the arms control implications and contribution to overall defense posture of all major new weapons systems, such statements could help to ensure that only weapons which made a real contribution to U.S. security would be procured—not those that were mainly a thinly-disguised sweetness to garner support for arms control or "bargaining chips" not meant to be played on the bargaining table.

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A further, integral part of the process of formulating arms control negotiating positions is participation by civilians in the Defense Department. It was, after all, the Pentagon's Office of International Security Affairs which was the center of activity for SALT preparations in 1968. Unfortunately, however, ISA's arms control enthusiasm dropped sharply in the first years of the Nixon Administration and has not since recovered. Rebuilding the arms control interest and capability of ISA would undoubtedly benefit the overall arms control effort. So, too, would an explicit effort to strengthen the arms control orientation of the Office of Program Analysis and Evaluation and of the proposed Military Operations Analysis Office (see Part VI, Conducting Military Operations), which conceivably could evaluate the military utility versus the possible arms control costs involved in the use of a particular weapon in military operations.

The State Department made a relatively poor showing in these cases. Foreign Service officers were reluctant to challenge the use of chemical agents in Vietnam, in large part because it was not considered proper for State Department officials to question the military's judgment on military matters. Diplomatic and military aspects of CBW policy tended to remain in separate channels within the Government during the Johnson Administration, with little co-ordination between them. When the two did meet, military considerations generally took precedence. The NSSM study process at least provided a mechanism for posing the trade-off between the military utility and the diplomatic costs of CBW in more explicit terms. In so doing, it allowed State to make the case for diplomatic and larger foreign policy implications. But the opportunity was not exploited, for the most part because of State Department weakness (discussed elsewhere). These cases underline the need for a strong representation of broader security and foreign policy considerations in the realm of arms control.

Like the State Department, the Arms Control and Disarmament Agency was also, paradoxically enough, often shut out of arms control and disarmament policy-making under the Johnson Administration. Thus, it was largely bypassed during the 1968 SALT preparations, and it generally contented itself with defending U.S. CBW policy in international circles because to challenge that policy within the U.S. Government would have been useless. The NSSM study process gave a definite boost to ACDA's influence in U.S. arms control policy-making. But it also revealed—in the failure of the ACDA-chaired working groups to make much progress on SALT in 1969—that ACDA is too small, politically weak, and over-specialized to be the lead agency in arms control matters. It is extremely difficult for an agency as small as ACDA to win the military's co-operation and confidence. For that, White House muscle is generally needed. But ACDA can and must play an important role in the formulation of arms control policy because of its sophisticated technical expertise on arms control and weapons development issues —a capability that the State Department presently lacks—and because of its singular attention to arms control considerations. These allow it to shift the spectrum of debate on arms control issues, often making the more moderate positions of State Department officials and Pentagon civilians seem more reasonable in comparison. Thus, ACDA's technical competence provides a nearly unique counterweight to the Pentagon in arms control discussions. Still, ACDA's performance over the last decade indicates that even more of a counterweight is needed. Hence ACDA's ability to participate in and to influence arms control discussions should be upgraded by increasing both its analytic staff and its budget.

V. ARMS CONTROL AND CONGRESS

Finally, a word about Congress and arms control. Both the Johnson and Nixon Administrations failed to adequately involve the Congress in arms control policy-making. Yet Congress—because of the constitutional requirement for Senate ratification of international treaties—is necessarily a part of that process. Its preferences should be anticipated in the formulation of arms control negotiating positions. But Congressional influence over arms control goes beyond the mere threat of a Senate veto, for the President's problems are by no means solved if a treaty squeaks through by a narrow margin. Arms control and strategic weapons are potentially explosive political issues, and no President can afford a major fight in Congress over them (especially with his principal supporters). President Nixon won overwhelming approval of his 1972 SALT accords, but at some political cost.

Moreover, Congress' budgetary powers over weapons acquisition can force Executive attention to arms control issues which the administration has ignored or deemed unimportant. Thus it has often been the Congress which has provided the forum in which arms control considerations could be raised; the Congress has been the initiator or principal supporter of many arms control efforts. ABM provides an excellent example: Congressional resistance to spending billions

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of dollars on a system that offered little real protection forced the Nixon Administration to give serious consideration to ABM limitations at SALT. Clearly, then, much greater Executive consultation with Congressmen—with the ranking members of the Armed Services, Foreign Relations, and Foreign Affairs Committees, perhaps —on arms control is called for, consultation that replaces the "take it or leave it" attitude displayed by the Nixon Administration on the Geneva Protocol with an attitude of real co-operation.

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APPENDIX*

Review of Arms Control Legislation and Organization

PREPARED FOR THE

SUBCOMMITTEE ON NATIONAL SECURITY POLICY AND SCIENTIFIC DEVELOPMENTS

OF THE

COMMITTEE ON FOREIGN AFFAIRS

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Letter of Transmittal

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
SUBCOMMITTEE ON NATIONAL SECURITY POLICY
AND SCIENTIFIC DEVELOPMENTS,
Washington, D.C., September 3, 1974.

Hon. THOMAS E. MORGAN,
Chairman, Committee on Foreign Affairs,
Washington, D.C.

DEAR MR. CHAIRMAN: I enclose a review prepared for the Subcommittee on National Security Policy and Scientific Developments titled "Review of Arms Control Legislation and Organization." It was prepared by Mr. Philip Farley, special consultant, assisted by Mr. John H. Sullivan, committee staff consultant, and Mr. George R. Berdes, subcommittee staff consultant.

This review is designed to assist the subcommittee in its study and hearings on the Arms Control and Disarmament Agency as provided in the committee's report to the House (House Report 93–904) on the proposed Arms Control and Disarmament Agency authorization for fiscal year 1975.

As you know, Mr. Chairman, a thoroughgoing examination of ACDA was deemed appropriate for several reasons. First, the Agency has never been subjected to a comprehensive review during the 13 years of its existence. Further, there are indications that Agency activities have, in several instances, veered away from original congressional intentions. Finally, there is growing concern that ACDA no longer plays the role in the formulation and execution of U.S. arms control policies that it once did.

With this staff review serving as a base, the subcommittee has scheduled extensive hearings for the latter part of September and early October 1974. The results will be made available to the full committee early in 1975 in time to consider possible new legislation. Hopefully, this major in-depth examination of ACDA will provide a basis for Congress to act early next year to resolve, by legislation, any problems which may exist with regard to Agency operations.

While this staff report has been prepared primarily for the use of our subcommittee in conjunction with our study of the ACDA, I believe it may be useful as well to other members of the committee interested in U.S. arms control and disarmament policy in general and in the Arms Control and Disarmament Agency in particular.

Respectfully submitted.

CLEMENT J. ZABLOCKI, *Chairman.*

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Review of Arms Control Legislation and Organization

I. INTRODUCTION

In its report on the proposed Arms Control and Disarmament Agency (ACDA) authorization for fiscal year 1975, the House Committee on Foreign Affairs stated its belief that this is an appropriate time for a thorough review of the Agency for several reasons:

First, although 13 years have elapsed since the Agency was created, it has never been subjected to a thorough-going review;

Second, there are indications that Agency activities have in several instances veered away from original congressional intentions as expressed in the Arms Control and Disarmament Act—for example, in the low priority given to public information activities;

Third, there is growing concern that the Arms Control and Disarmament Agency no longer plays the role in the formulation and execution of U.S. arms control policies that it once did. For fiscal year 1974 the administration cut the Agency's appropriations request by $3 million from the amount authorized by Congress; 44 positions in the Agency were terminated (about 20 percent), and ACDA officials no longer head the negotiating team at SALT.

The present study is designed—

to assist the Subcommittee on National Security Policy and Scientific Developments in planning and conducting its study and hearings in the fall of 1974, which will be a significant part of the committee review; and

to provide material which can be drawn on in preparation of the committee's report and recommendations.

While such a review must examine with care the past performance and present capabilities of ACDA, the main emphasis should be on the future and the prospects and requirements for arms control. Principal questions which might be addressed are:

How can arms control contribute to world peace and U.S. security in the period ahead?

Does ACDA have the competence and status to furnish the best arms control contributions?

Are changes in the role and structure of ACDA, and in the ACD Act, desirable in the light of experience to date and future prospects?

II. ORIGINS AND MISSION

The ACD Act and the establishment of ACDA had their roots in the world political and military scene and in U.S. domestic debates in latter part of the 1950's.

In the disarmament field, the years 1956–60 marked the end of one era and the beginning of another.

The initial postwar concept of disarmament was one of systematic negotiation and institution of general and complete disarmament—often referred to as GCD—as a world regime. From the time of the drafting of the U.N. Charter, many hoped there would be early progress toward an established world order, under law, with active U.N. settlement of disputes and peacekeeping, which would lead to an essentially disarmed world. By the mid-1950's it was apparent that this hope was premature; the London Disarmament Conference at which Harold Stassen led the U.S. delegation marked the last occasion when, in the pursuit of disarmament, GCD had first priority in the thinking of statesmen of major powers. In a world of multiplying national entities, ideological and historical differences, regional disputes, great power rivalries, and limited U.N. competence and authority, a more pragmatic and incremental approach was called for.

For the United States, the collapse of the London Conference and the end of the Stassen effort coincided with an increased awareness of growing Soviet nuclear and missile power—symbolized and dramatized by Sputnik. The challenge to U.S. nuclear and scientific superiority, and the end of U.S. invulnerability to attack, led to serious efforts to reappraise and readjust the U.S. defense posture (of which the Gaither study was one example). Accelerated programs to diversify and protect the U.S.

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deterrent forces resulted, which were well underway at the time of the "missile gap" controversy in the 1960 elections.

While the unproductiveness of disarmament efforts, and concerns about the U.S. military posture, led to some questioning of the value of renewed pursuit of disarmament, this skeptical view did not prevail. The determination to find new avenues on which to move ahead was sustained by varied and often mixed motives. To some extent, it reflected an appreciation by Governments that popular opinion stimulated by memories of Hiroshima and Nagasaki and of the casualties and devastation of World War II, and constantly reminded by atmospheric nuclear tests and subsequent fallout) saw the arms race as dangerous and costly and irrational and expected efforts to limit it on the part of national leaders. But thoughtful leaders in the executive branch and Congress were not simply responding to popular pressure; they saw in the growth of Soviet missile and nuclear power the emergence of the basic reality that, in the event of nuclear war, no amount of military power could shield U.S. territory and people and that breaks on the constant expansion of nuclear arsenals could serve the security of the Nation.

The series of technical and political conferences on the limitation of nuclear tests which began in 1957 marked a new approach, in which emphasis was put on specific and limited rather than comprehensive measures of arms control and reduction.

Within the U.S. Government, the new negotiations brought new substantive and organizational problems. The technical and expert military component—first in test ban negotiations, then in the Geneva Surprise Attack Conference of 1958—was substantial. Expertise of this variety and caliber was not at the disposal of the small staff of the Special Assistant to the Secretary of State for Atomic Energy and Disarmament, which in the latter half of 1957 became the central point for disarmament planning and staff work; the unit did not even have the capability of organizing and supervising detailed examination of these issues. Fortunately, another byproduct of Sputnik in the U.S. Government had been the creation of a Special Assistant to the President for Scientific Affairs (Dr. James Killian) and the President's Science Advisory Committee (PSAC). The most competent and innovative scientists in the country were on PSAC or available to assist on its special panels or projects. Many of them had a thorough familiarity with both the capabilities and limitations of weapons systems, as well as with the interaction of U.S. and Soviet weapons programs. They balanced the expertise of civilian and military scientists and specialists from the Pentagon, both in preparatory studies for arms control negotiations, and in policy deliberations. Dr. Killian was a member of the Committee of Principals (the Secretary of State, Secretary of Defense, Chairman AEC, Director CIA, and President's Science Adviser) which rather than the NSC served as the main policy committee under the President for arms control issues.

Most of the studies looking to arms control negotiations in the late 1950's were done on an ad hoc basis. The method worked well in coming quickly to grips with the complex technical issues in the test ban negotiations, though the novelty and complexity of the problems that were dealt with in the negotiations and in the U.S. preparations, and the powerful vested interests that came to realize they were in peril, were such that the U.S. position underwent several abrupt changes and hardenings. Broad disarmament reviews were conducted under the leadership first of Charles Coolidge, a Boston lawyer, and then of Frederick Eaton, a New York lawyer; they resulted in tactical adjustments of U.S. positions in general disarmament negotiations but not in an intellectually searching or persuasive foundation for continuing arms control efforts.

The Geneva Surprise Attack Conference of 1959, at which East and West quickly found themselves at cross-purposes and in stalemate, brought home most forcefully to U.S. leaders and arms control experts, particularly in the scientific community, the need for a better policy and technical foundation for U.S. arms control activities, and the need for a broader and more continuous and better focused Government attack on the problem. Congressional observation of arms control negotiations, by both Senate and House committees, had led a number of Members to a similar conclusion.

In 1960 bills were introduced in the Senate and the House to create a new agency to deal with disarmament. By executive action the Eisenhower administration established in October 1960 a U.S. Disarmament Administration within the Department of State to give clearer identity, greater status, and broader scope to arms control activities. President Kennedy, following up a campaign promise, included in his inaugural address a pledge of action to make arms control a central goal of national policy and to coordinate and expand the U.S. disarmament effort and supporting programs of research and study. A draft bill creating a "U.S. Disarmament Agency for World Peace and Security," prepared under the leadership of John McCloy, was submitted to Congress on June 29, 1961. The ACD Act was signed on September 26, 1961.[1]

[1]Major documents on the Arms Control and Disarmament Act are contained in *Documents on Disarmament, 1961*. A good review of the background is contained in the article by Senator Hubert Humphrey, "Government Organization for Arms Control", *Daedalus*, Fall 1960, pp. 967–983.

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The purpose and rationale of the new Arms Control and Disarmament Agency are clearly set forth in section 2 ("Purpose") of the new act, which also defines the major functions:

PURPOSE

SEC. 2.[2] An ultimate goal of the United States is a world which is free from the scourge of war and the dangers and burdens of armaments; in which the use of force has been subordinated to the rule of law; and in which international adjustments to a changing world are achieved peacefully.[3] It is the purpose of this Act to provide impetus toward this goal by creating a new agency of peace to deal with the problem of reduction and control of armaments looking toward ultimate world disarmament.

Arms control and disarmament policy, being an important aspect of foreign policy, must be consistent with national security policy as a whole. The formulation and implementation of United States arms control and disarmament policy in a manner which will promote the national security can best be insured by a central organization charged by statute with primary responsibility for this field. The organization must have a position within the Government that it can provide the President, the Secretary of State, other officials of the executive branch, and the Congress with recommendations concerning United States arms control and disarmament policy, and can assess the effect of these recommendations upon our foreign policies, our national security policies, and our economy.

This organization must have the capacity to provide the essential scientific, economic, political, military, psychological, and technological information upon which realistic arms control and disarmament policy must be based. It must be able to carry out the following primary functions.

(a) The conduct, support, and coordination of research for arms control and disarmament policy formulations;

(b) The preparation for and management of United States participation in international negotiations in the arms control and disarmament field;

(c) The dissemination and coordination of public information concerning arms control and disarmament; and

(d) The preparation for, operation of, or as appropriate, direction of United States participation in such control systems as may become part of United States arms control and disarmament activities.

The act and the establishment of the Agency received broad acceptance in Congress. A good deal of reserve was manifest, however, about the feasibility of early achievement of disarmament, or the prudence of an unrestrained pursuit of disarmament. The latter reservation is reflected in (a) the change of name from "U.S. Disarmament Agency" to "U.S. Arms Control and Disarmament Agency", (b) the addition to sec. 33 of a proviso that U.S. disarmament or reduction or limitation of U.S. Armed Forces and armaments will require a treaty or other affirmative legislation by the Congress, and (c) the stipulation in section 2 that arms control and disarmament policy must be consistent with national security policy as a whole. Some misgivings were expressed about the broad research charter, but it was eventually adopted—subject as it is to continuing congressional appropriation of funds.

The act identifies four main functions: research, preparation for and management of negotiations, dissemination and coordination of public information, and work on control systems. The Director is specifically charged with conduct of a research program embracing a wide field of topics, and with preparing recommendations to the President and other Agency heads on U.S. arms control and disarmament policy. He is authorized—not directed—to conduct negotiations (under the direction of the Secretary of State), and to plan for and direct inspection and control activities. He is given no specific charge regarding public information except to provide guidance to the U.S. Information Agency, and (by addition of section 49(a) of the act in 1963) to refrain from domestic propaganda for the work of the Agency.

Defining the position of the Director (and thus of the Agency) within the Government required some care. Provisions establishing the Director as principal adviser to the President and Secretary of State, and authorizing him to obtain information from other agencies, are included; the Director is placed "under the direction of the Secretary of State", both in conducting negotiations and "in carrying out his duties under this act" (section 22). While section 2 states that the Agency "* * * must have such a position within the Government that it can provide * * * the Congress with recommendations concerning U.S. arms control and disarmament policy * * *", no specific obligations regarding the Congress are contained beyond the requirement for an annual report to the Congress on activities (section 50).

The charter of the Agency is broad, if permissive rather than specific. It permits the Director and Agency to do anything relevant to arms control which is acceptable to the President and Secretary of State—in recognition that any arms control activity falls within the sphere of national security and foreign policy. The authority given the Director to study "* * * the arms control and disarmament implications of foreign and national security policies * * *" (section 31 (j)) anticipates current interest in an ACDA evaluation of defense programs. While the programs of the Agency are dependent on continuing congressional authorization and appropriation of funds, and arms limitation agreements require congressional approval, this is the American system.

[2] 22 U.S.C. 2551.

[3] This goal was reaffirmed in section 1 of the Foreign Military Sales Act, Public Law 90–629, which added: "In furtherance of that goal, it remains the policy of the United States to encourage regional arms control and disarmament agreements and to discourage arms races." That act further expressed the sense of the Congress that foreign military sales be approved "only when they are consistent with the foreign policy interests of the United States * * * with particular regard being given, where appropriate * * * to the impact of the sales on * * * existing or incipient arms races."

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III. ACDA ACHIEVEMENTS AND PRESENT STATUS

A. Achievements in Arms Control Negotiations

Appended is an ACDA summary of arms control negotiations since 1961, and the ACDA role therein (annex A). In one sense, the list of agreements in effect is the measure of what has been achieved. In another sense, if it is assumed that arms control is still in a preliminary, exploratory, and formative stage, the truer measure of ACDA performance will be the degree to which understanding has been advanced of how arms control and disarmament are part of and can contribute to U.S. national security and to world peace and security; that is infinitely more difficult to measure.

Arms control agreements in effect or negotiated:

Antarctic Treaty	1961
Hot-line Agreement	1963
Limited Test Ban Treaty	1963
Outer Space Treaty	1967
Treaty for the Prohibition of Nuclear Weapons in Latin America	1967
Non-Proliferation Treaty	1968
Treaty Banning Emplacement of Weapons of Mass Destruction on the Seabed	1971
Agreement to Reduce the Risk of Outbreak of Nuclear War	1971
Updated Hot-Line Agreement	1971
ABM Treaty (and 1974 Protocol)	1972 and 1974
Interim Agreement Limiting Strategic Offensive Weapons	1972
Biological Warfare Convention	1972
Agreement on the Prevention of Nuclear War	June 22, 1973
Threshold Nuclear Test Limitation Treaty	1974

The agreements negotiated in the 1960's are generally of a preventive nature. They seek to forestall the spread of nuclear weapons to areas or environments (Antarctica, outer space, the seabed) or to nations (NPT, Latin American Nuclear-Free Zone) where they have not been present. The Limited Test Ban Treaty attempted to rule out certain environments for nuclear testing, though it did not gain universal acceptance and did not cut back testing rates of the nuclear powers adhering to it. The BW convention also can be seen as preventive. The executive agreements are all designed to guard against the risk of outbreak of unintended nuclear war through misunderstanding or accident; valuable as they may be, they represent arms control in the narrow sense rather than limitation or reduction of armaments.

Only the SALT negotiations have dealt with possible limitation and reduction of major elements of the arsenals of major powers. Epoch making and important as SALT agreements to date have been, it will be recognized that their effect has been to set ceilings on selected strategic programs of the United States and Soviet Union, derived from existing plans and programs, rather than prescribing overall strategic limits or cutting back. One U.S. ABM site which had been partially constructed had to be demolished, as well as a few Soviet ABM test launchers; otherwise, the two sides banned construction of facilities or the development of systems not yet commenced. On the offensive side, the agreement is a temporary one. Strategic bombers and their armaments are left free, and no specific limit is placed on some land or seabased missile system. Extending the agreements to systems not covered, to qualitative characteristics (MIRV's or accuracy or throw-weight), or to reduction of overall levels is proving difficult.

In addition to the negotiations and agreements identified in the ACDA document, other negotiations and agreements are worthy of note.

(a) An executive agreement between the United States and the Soviet Union, designed to prevent incidents at sea between the navies of the two states, was signed at the 1972 Moscow Summit. Its purpose is thus analogous to that of the previously listed executive agreements designed to avoid the outbreak of nuclear war. The negotiations were headed on the U.S. side by the Under Secretary of the Navy, reflecting the fact that the agreement dealt in large part with operating practices of the two navies. ACDA officers participated in preparatory staff work in Washington but not in the negotiations.

(b) Under the aegis of the International Red Cross, negotiations have been underway in Geneva, at intervals over the past 4 years, regarding amendment and extension of the existing conventions on the laws of war. A range of proposals and issues, substantive and procedural, have come under discussion; no agreements have as yet emerged and the negotiations will continue next year. The United States, motivated by concern over the treatment of U.S. prisoners in Vietnam, has given priority to strengthening provisions relating to prisoners of war. A deputy legal adviser from the Department of State has headed the U.S. delegation. Other states have focussed on provisions dealing with protection of civilians and with weapons producing indiscriminate damage or casualties—for example, napalm. ACDA officers participated in Washington preparatory planning, particularly on handling of issues relating to indiscriminate weapons, which the United States considered properly a matter for arms control forums. ACDA was not

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represented on the U.S. delegation until 1973, and then by a newly recruited lawyer rather than an arms control expert.

(c) The Vietnam peace agreements and the Middle East cease-fire agreement contain provisions regarding levels, deployment, types, and replacement of weapons in specific areas. ACDA prepared at its own initiative studies on this subject over recent years, which were made available to State Department officers working on the negotiations; ACDA did not participate in the planning or conduct of the negotiations.

B. Present Status of Arms Control Negotiations

(a) Arms control negotiations are currently in an ambiguous, even paradoxical state. The Conference of the Committee on Disarmament (CCD) continues to meet regularly in Geneva and to discuss matters longstanding on its agenda or referred to it by the U.N. General Assembly—a comprehensive nuclear test ban, abolition or limitation of chemical warfare (CW) agents, comprehensive disarmament, conventional arms limitation most prominently. SALT negotiations will resume in Geneva this fall. The NATO-Warsaw Pact negotiations in Vienna on force reductions in Europe are proceeding regularly and seriously. The 5-year review conference required by the Nonproliferation Treaty will convene in 1975, and preparatory sessions have already commenced. The United States and the Soviet Union have a number of bilateral projects: The continuing work of the Standing Consultative Commission (SCC) established under the SALT agreements; and the discussions of measures to deal with dangers of environmental warfare, with threshold test ban verification, and with control of lethal means of chemical warfare called for at the 1974 Moscow Summit. The UNGA has called on the Secretary General to undertake a study of possibilities for limitation of military expenditures and budgets, and he has convened a group of experts for this purpose (as was done on past studies of economic and social consequences of the arms race, the U.S. expert is nominated and backstopped by ACDA in coordination with other interested agencies). The UNGA, concerned by the absence of France and China from current disarmament talks, by apparent U.S.-Soviet bilateral dominance of arms control activities, and by the slow rate of progress, has passed resolutions setting up a committee to explore a possible World Disarmament Conference. Laws of War discussions will resume next year. Middle East peace talks are also scheduled in Geneva later this year, and provisions limiting levels and transfers of arms will be a major item on the agenda.

(b) In addition to the momentum of these ongoing or prospective negotiations, it should be noted that arms control is to an important degree becoming institutionalized.

(1) The SALT Standing Consultative Commission (SCC) has already been referred to. It has various functions relating to implementation of the SALT accords. Two agreements spelling out procedures for destruction and replacement of strategic systems worked out in the SCC were signed in Moscow at the 1974 Summit.

(2) An earlier and no less important institution is the safeguards function carried out under the Nonproliferation Treaty by the International Atomic Energy Agency. Nonweapons parties to the Treaty are committed by its terms to accept IAEA safeguards, including inspection by the Agency's staff, for their peaceful atomic energy activities, to insure that nuclear materials used or produced are not diverted to weapons use. This internationally managed, funded and staffed safeguards activity provides an essential reassurance against clandestine nuclear weapons programs, and an important precedent and experience for future arms control arrangements where comparable accountability and verification may be appropriate.

(3) Another form of institutionalization is found in the formal treaty commitments to further negotiations toward specific disarmament objectives. These commitments are not merely preambular in form; they consist of operational articles, including article I of the Limited Test Ban Treaty and article I of the Threshold Test Limitation Treaty, article VI of the Seabed Treaty, article IX of the Biological Weapons Conventions, article XI of the ABM Treaty, and article VII of the Interim Strategic Offensive Arms Limitation Agreement. The terms of these articles could be satisfied by good faith negotiations without reaching accord. Their force is greater than that, since aside from whatever genuine determination the parties may have to reach further agreements along the stipulated lines, the provisions respond to strong currents of public opinion expressed within the countries and reflected in UNGA debates and resolutions. In many countries bureaucratic and parliamentary and public supporters of the objectives and negotiations insist that their governments take the commitments seriously; they may affect parliamentary voting on defense budgets. In other cases, some countries monitor the implementing actions of other countries, as the nonweapons parties of the NPT monitor United States and Soviet progress in further limiting nuclear tests

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and strategic weapons as called for in article VI of the NPT, a provision the nonnuclear States see as a partial quid pro quo for their foregoing nuclear weapons.

That is the credit side—and without the existence and continuous active advocacy of ACDA it is unlikely that so varied a negotiating agenda, with an emerging logic and institutional base, would have developed over the past decade.

On the debit side, it can be said that the specific next targets and likely achievements have never been so unclear and uncertain. In SALT, the 1973 Washington Summit pledged the two sides to pursue urgently a permament agreement on limitation of strategic offensive arms to be concluded in 1974, or any separate measures supplementing the 1972 Interim Agreement. Neither a permanent agreement nor supplementary separate measures could be agreed upon at the 1974 Summit. Instead, the Summit settled for a procedural result—the goal of a new agreement placing the Interim Agreement to extend through 1985 and cover both qualitative and quantitative aspects. Without questioning the good faith of the approach, it appears to reflect a current impasse and uncertainty as to the direction in which to find a way through to agreement on substance.

The CCD has over the past few years brought increasing frustration to its discussions of a comprehensive nuclear test ban and a limitation or ban of chemical weapons, the two principal agenda items. Sessions have become shorter and there has been talk of spacing them out or replacing or reconstituting the committee. The United States and Soviet Union, as cochairmen, have been charged with responsibility for lack of progress. The agreements at the 1974 Moscow Summit on a threshold test limitation and a study of limitation of lethal chemical warfare agents may well have been partly designed to counter these criticisms. However, the purely bilateral approach—the threshold test limitation does not even have provision for accession by other states—may infuriate rather than placate other members of the CCD who wish to play, and to be seen to play, a significant role in disarmament progress. The substance of the two summit accords will not help; there is no indication that either major power has a new concrete approach to CW limitation, let alone one acceptable to the other side; and the threshold for underground tests discussed in recent years in Geneva has been nearer the 20 KT level than the 150 KT level agreed to at Moscow.

The MBFR talks, by all accounts, have proceeded in a serious vein. The range of reduction envisaged in initial stages by the two sides appears to be comparable—around 15 percent. The nature of the limitations diverges sharply in the positions of the two sides, however. There does not appear to be a strong impulse to search out and define viable compromises and adjustments, and the process will in any case be immensely difficult given the complexity of the problem and the number of states involved directly or indirectly.

The process of implementing the NPT and gaining additional accessions has moved ahead slowly but steadily. Main achievements have been the establishment and general support of the IAEA safeguards system, and the IAEA-Euratom agreement on safeguards—a prerequisite to ratification by key West European states such as West Germany and Italy. As the 5-year review conference in 1975 nears, however, there are difficulties. A number of industrial or industrializing states are still not parties. The Indian nuclear explosion, even if it does not prove to have an immediate catalytic effect on other nuclear-capable states, makes it easier for NPT holdouts to justify deferring action. The energy crisis is giving an additional impetus to nuclear power generating facilities around the world, with plutonium and nuclear know-how and infrastructure as byproducts. The indefinite prospects for further offensive strategic arms limitations or reductions by the United States and the Soviet Union, and a threshold nuclear test limitation accord which falls short of expectations let alone of a comprehensive ban, will be used by nonnuclear weapons states as evidence that the two major proponents of the NPT have not kept their end of the bargain. Thus, nonnuclear states are relieved of pressure to go any further in their commitments at this time. And in forestalling nuclear proliferation, time is crucial.

In the field of conventional arms limitations, little is in prospect except for MBFR and the incidental provisions of Indo-China or Middle East peace settlements. Efforts to interest states from other regions in limitations possibilities, at the CCD and UNGA or in regional bodies such as the OAS, have consistently been turned aside. Sometimes the arguments have been used that absolute priority should go to limiting weapons of mass destruction, or that the NATO and Warsaw Pact military budgets embraced over 80 percent of world military expenditures and thus should be the focus. Other Third World spokesmen have been more candid, arguing that military establishments in the Third World are essential to national sovereignty and security, and that if large they are required by dangerous regional conditions (as in the Middle East) or if small (as in Latin America or Africa) they constituted no problem of world or even local concern.

As for broadened participation in disarmament negotiations, neither France nor China has shown interest. The United States-Soviet Co-chairmanship of the CCD is a superficial excuse for nonpar-

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ticipation there; but both the United States and Soviet Union have made it clear that they would not let that prerogative stand in the way of a more representative forum if it proved feasible. Soviet calls in the U.N. General Assembly for a World Disarmament Conference have gained wide support of varying degrees of enthusiasm; China has caustically questioned Soviet motives and the United States has more quietly questioned the value of such large assemblages for dealing with intricate sensitive issues. There is thus no real focus to proposals for such a conference, and when and whether it will be held are uncertain now. The uncertain current disarmament situation may sharpen calls at this fall's UNGA for new procedural steps or arrangements, however, and sentiment may warm toward actually convening a WDC.

It must be emphasized that this assessment of uncertainty and obscure prospects applies to the immediate future and immediate steps. The general impetus to arms control negotiations and agreements remains strong, and there are many practical incentives—political, economic, even the risks to national security and international security of current military trends—which sustain this impetus. But the established specific negotiating objectives—in SALT, nuclear test limitation, CW, conventional arms, universal participation, et cetera—appear to be at present out of reach after all familiar approaches have been canvassed. And the sense of a community effort, either to persevere on accustomed lines or to launch new approaches or redefine objectives, has been dissipated, first by United States-Soviet preemption of the field and then by the paucity of visible results being achieved or in prospect.

C. ACDA Strengths, Weaknesses, Status

The U.S. Arms Control and Disarmament Agency is unique in the world, 13 years after the passage of the Arms Control and Disarmament Act of 1961 which established it. Other countries for the most part look to small units in their Foreign Ministries as focus for their disarmament activities, with formal or informal arrangements for support, advice, and coordination from defense and technical agencies.

ACDA has not varied greatly in size over this period. The annual budget has been a little over or under $10 million. The total staff (civil service plus employees on reimbursable detail from State and Defense) was 190 at the end of fiscal year 1974, down from 222 at the end of fiscal year 1967. Research expenditures were at the $4–$6 million level in the mid-1960's but fell to $1–$2 million in the 1970's. This drop in research, with the smaller drop in personnel, explains how ACDA with its level or declining appropriations was able to fund participation in the expanded arms control negotiations and Washington policy and backup activities of recent years, in a time of inflation of pay and other costs.

What role has this small agency played? Has it measured up to the hopes of its sponsors?

1. Policy Formulation

ACDA was able, in the 1960's and early 1970's, to build up a staff of scientists, analysts, defense policy experts, foreign service and foreign affairs officers which enabled it, on every arms control-related issue, to argue the case for arms control solutions or considerations as forcefully and as solidly as the case presented for military solutions or considerations—and usually with more balanced weighing of arms control and military alternatives than available in assessments from the defense establishment. The analytic and technical competence of ACDA has taken an enhanced importance in recent years, with the abolition of the President's Science Advisor and Scientific Advisory Committee and the absence from national security deliberations of an independent spokesman for the scientific community on technical issues or components of decisions.

This ACDA capability helped ACDA play its statutory role of initiator and advocate of arms control proposals, and on some occasions of adjustments to diplomatic or defense programs to take account of arms control considerations. There have been cases where senior officials in State and Defense played leading roles in starting or fostering arms control approaches (the SALT positions prepared at the end of the Johnson administration, the BW initiatives in the first Nixon term) and there have always been civilian or military officers playing active and constructive roles in these major agencies, in seeing that arms control ideas had a fair hearing and were fostered. Receptivity or encouragement from the President and his principal advisers has of course been crucial.

The separate identity of the Agency, and its Director with his own seat at the NSC table or other committees, has been indispensable to the ACDA role. It has a continuity which insures that objectives are not lost from sight, it has a staff to monitor related policy and programs in other agencies to see that arms control considerations have not been overlooked or inadequately reflected, it has the opportunity—if only because of its presence on committees or its place on clearance lists for telegrams or staff papers—to put forward an arms control case and point of view.

ACDA has thus gained an established place

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within the executive branch in policy studies and in the many smaller decisions which go into carrying out policy decisions in programs or negotiations. These observations apply particularly to clearly identified arms control proposals and activities. There is no systematic arrangement to see that arms control considerations are reflected in defense and foreign policy decisions and activities. However, the existence of arms control negotiations such as SALT, MBFR, and CW mean that some defense decisions (e.g., on ABM programs, launching of new CW agent production) intersect with arms control activities and must be considered together (sometimes because senior NSC officers require this and sometimes because ACDA raises the point). Many NSC studies of defense policy issues are conducted with ACDA participation (Indian Ocean policy, Asian force levels and nuclear policy); this reflects partly acknowledgement of ACDA as an institution with a legitimate point of view, and partly respect for ACDA analytic and technical competence when complex issues and alternatives must be analyzed and assessed.

ACDA is to some extent used beyond its specific arms control function to see that on major national security decisions the possible options are identified and weighed in a comprehensive and balanced and professional way. ACDA has a systems analysis capability which is unique outside the Pentagon. Add to this the technical and foreign affairs staff, and the fact that ACDA has had experience with virtually the whole range of strategic or regional security issues, and it is apparent that there is an instrument here which neither the NSC staff or the State Department possesses. The NSC staff has made use of this instrument on a number of occasions. The State Department has not (which may tend to confirm the congressional and Presidential judgment in 1960–61 that an arms control organ was needed not integral to or dependent on the State Department).

While ACDA continues to hold and recruit highly skilled, motivated, and effective middle-level officers, it is difficult to see what the present top officers below the Director bring in the way of special skills, experience, or motivation. If this is a warranted concern, it is a condition that cannot long be tolerated—both because these men have a key role to play interagency as well as within ACDA, and because good specialists and experts under them will not long be held or attracted in such circumstances. Expansion of the Agency by adding money and positions would have little use without top personnel with enthusiasm and imagination and judgment—and the Director alone or with one or two others cannot meet the need.

While ACDA has been an independent and persistent advocate, it has operated as a member of the "establishment" or "team." Its premises and objectives have been those of developing U.S. national security policy. Its way of looking both at the U.S. role and mission in the world and at the executive branch's relationship with the Congress and with other countries was that which characterized the administrations of the 1960's and 1970's. Individuals at all levels of ACDA have, of course, varied greatly in their enthusiasm for disarmament and their degree of mental assent to particular national security measures or decisions; for the most part, the key staff have been people recruited from and comfortable in dealing with such agencies as the White House, State, Defense, CIA, and their contractors. There has been little effort to lobby in public or Congress against administration policies.

In general, criticism and discontent with ACDA has tended to come from public and congressional proponents of disarmament and opponents or critics of U.S. security and foreign policy. ACDA has been charged—particularly in the last 6 years—with being too "establishment," too conventional and unimaginative in thinking, too timid in contesting Government policy and lobbying for its point of view.

What has been said so far applies directly to ACDA and SALT, and strategic policy and programs. It was here particularly that ACDA played a major role, not only in SALT decisions, but also on related U.S. strategic force decisions. Illustrations are the massive NSC efforts (1) to assess Minuteman vulnerability in the face of eventual Soviet MIRV's and its implications for U.S. deterrent programs, and (2) to appraise hardsite defense proposals and the contribution such a system might make to U.S. security in the light of likely Soviet responses. Without ACDA technical and analytic inputs and advocacy of their implications, the key issues would not have had balanced and solid examinations. ACDA chaired the SALT Backstopping Committee throughout the negotiations and handled a good deal of the consultations with allies both in NATO and Washington.

After the conclusion of the initial SALT agreements, when the question of their implementation came up—

(1) an ACDA officer was selected as U.S. representative on the SCC (which is separate from the U.S. SALT delegation in Geneva), and

(2) verification was assigned to the intelligence agencies, reporting to the NSC, with ACDA participating only incidentally.

These appear to be reasonable arrangements from an arms control point of view.

On MBFR, ACDA has played a role in policy studies which is comparable to that in SALT, but a less prominent role in policy decisions (and

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negotiations). The ACDA operations analysis capability has been heavily employed, both in developing and analyzing options and as a crosscheck on other analytic work. Also, the ACDA ability to field teams of defense and foreign affairs analysts accustomed to look at the interaction of opposing forces rather than just their separate capabilities, as well as to anticipate the needs of negotiating proposals, has given ACDA an equally prominent role in study of alternative approaches to limitation packages and to verification provisions. This has had special value, since the State Department, which approached SALT with an impartial mind as to arms control and U.S. interests, approaches MBFR preoccupied with NATO problems and allied jitteriness about changing the status quo.

Negotiating the Non-Proliferation Treaty was the main ACDA achievement in the 1960's. Since its signature, ACDA has devoted major efforts to (1) seeing that the United States did everything possible to encourage additional accessions, and (2) making the IAEA safeguards system work both by adoption of good administrative regulations and financing at Vienna, and by research to improve safeguards effectiveness. An independent agency with its own budget and identity accomplished much that might have gone undone otherwise.

In the conventional arms field ACDA has little to show. Efforts of U.S. spokesmen at Geneva and in the UNGA to launch CCD or regional discussion of controls on the levels or flow of conventional arms have been uniformly rebuffed. In Washington, ACDA has been consulted by the agencies principally responsible for military assistance programs and arms sales, but only in isolated cases has it been able to affect or shape decisions on arms control grounds.

In a number of other areas (further limitations of nuclear testing, CW controls, weather modification and environmental warfare) ACDA has been able to see that possible measures were thoroughly examined and the issues kept alive, without explicit U.S. proposals being adopted and put forward.

2. Negotiations

As already noted, ACDA has led or participated in all formal disarmament negotiations. The cases in which ACDA was absent (laws of war, incidents at sea, cease-fire negotiations) were properly led by representatives of other agencies. Given the complex diplomatic and military interrelationship between MBFR and NATO, the MBFR negotiator is a representative of the President rather than an ACDA official (as the CCD negotiator is); even here, ACDA chairs the backstopping committee.

The case which has raised the most questions has been the management of SALT negotiations. The Director of ACDA was the first SALT negotiator; in the final year of the first round, however, the White House took an increasingly more active role, both in Washington and during Moscow visits. Then in 1973 the Director was replaced by a Special Negotiator appointed by the President and functioning as an Ambassador at Large in the State Department. Beyond that, there is some question as to how significant a role in the real bargaining on SALT is now played by the delegation.

There is no requirement that the ACDA Director or another ACDA official conduct major negotiations such as SALT. The act authorizes this but does not require it, and recognizes the primary responsibility of the Secretary of State for international negotiations. It will be recalled that the final limited test ban negotiations in Moscow were conducted, not by the ACDA officials who had wrestled with the problem for years in Geneva and Washington, but, by Averell Harriman as a special representative of President Kennedy. The present ACDA Director has argued he can be more effective in the Washington policy arena. Obviously he cannot head all negotiations in Geneva and Vienna; however, other U.S. negotiations could be assigned to ACDA and report to the Director as does the U.S. representative to the CCD.

Thus it does not appear there is one and only one way in which negotiations can be conducted. Different ACDA Directors will have different interests and different views as to how they can be most effective. The President and Secretary of State have the right to have negotiations led and conducted in accordance with their desires. Beyond that, they have every right to supplement any established negotiating forum with other and perhaps more direct channels when they judge this to serve the national interest.

What would be matter for concern would be—

(a) If recourse to other channels or negotiators were the result of lack of confidence or favor for ACDA; or

(b) If the doctrine were accepted that the most sensitive and important negotiations such as SALT and MBFR could not be led by ACDA officials because they are too partisan, too preoccupied with reaching agreement for agreement's sake or with advancing disarmament regardless of broader national security interests.

3. Research

Research in the United States relevant to arms control can be put in four categories, of which ACDA-conducted or funded research is the smallest:

(a) U.S. Government research on weapons systems and defense policy and strategy or on for-

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eign policy issues which is relevant to consideration of arms control possibilities as well as to the purposes for which the research was commissioned;

(b) Research on scientific intelligence means (satellite observation, seismic monitoring, other remote surveillance methods) which are useful for disarmament verification as well as intelligence gathering;

(c) Research and writing on disarmament by scholars in universities and foundations; and

(d) ACDA in-house and contract research.

While the authority and funds for an organized research program were a major purpose of the 1961 act and its proponents, the ACDA research program has not been one of the Agency's main achievements. In the mid-1960's the program was funded at levels of $4 to $6 million (in contrast to $1 to $2 million in the 1970's). In those years an effort was made to research everything Agency staff found to be researchable and not duplicative, and to conduct quite elaborate and expensive "field tests" of equipment and inspection techniques in cooperation with the Department of Defense.

In the latter part of the 1960's some skepticism as to the ACDA research program was expressed in Congress, especially in the Senate Foreign Relations Committee, and the Department of Defense was by legislation barred from funding its participation in field testing. The continued decline in research expenditures, however, was a decision by senior ACDA officials as much as it was a response to congressional doubts—to a degree which then led to more recent congressional expressions of concern as to whether ACDA has been doing enough.

Much of the research done in the 1960's, politely referred to as producing a fund of data and findings, had little impact on thinking either in the Agency or in the public (a few exceptions will be noted shortly). The field tests of inspection were found to be a cumbersome and expensive way to simulate actual inspection conditions, and to have dubious relevance with the increased recourse to national means of verification.

As a small Agency oriented toward policy and negotiating operations, ACDA found that contract research was hard to mount and utilize effectively. The information needed for ACDA's work came primarily from Defense and its contractors, CIA, and other major agencies which, almost without exception, were in the end, open and responsive in dealing with ACDA. A competent ACDA staff with knowledge where the principal experts and studies were to be found elsewhere, and with access to them, proved to be the essential requirement for dealing with policy issues and carrying out indispensable "in-house" research. These ACDA officials did want two supplementary services provided by the external research funds, "quick reaction" studies by contractors with special expertise or information which the ACDA staff was too small to provide from its own resources; and certain services such as computer modeling, programing, and computer time for runs, or assembling data for publications such as "World Military Expenditures."

Certain individual research projects or programs did have merit. One example was the MIT study of local conflicts and possible arms control approaches. It developed ways of thinking about local conflicts which were novel and systematic. While it had no immediate programatic application, the model of conflict development and the case studies were later expanded and computerized into a system (CASCON) of continuing interest to scholars, war gamers, and organizations such as the U.N. Another program of solid and useful research related to the domestic economic effects of disarmament. The general conclusion—that the adjustments attendant on any likely arms reduction agreements are smaller and easier to deal with than the reductions the U.S. economy as a whole or at individual locations has learned to cope with because of the ups and downs of the U.S. defense budget—was not original, but was followed out and buttressed with a number of case studies. There were other reports of good quality, but none with notable impact.

One special component of the research program of great value has been safeguards research. In negotiating the NPT, concerns were voiced about the cost and effectiveness of IAEA inspections as well as their intrusiveness. Technical means are desirable to help meet these problems. But the IAEA has a chronic budgetary problem and could not mount a massive program. The AEC in the United States is primarily focused on accountability for U.S. nuclear materials, which provides useful technical and other inputs for the IAEA system but is a different problem. So ACDA and Euratom—principally West Germany—turned their efforts to developing instruments and techniques. In the 1971–73 period about a third of the ACDA research budget was allocated to this urgent and high-payoff activity. This proved to be practical and innovative research, done in cooperation with AEC and its contractors as well as Euratom and IAEA. It is a need which continues.

The research program reached a low point of $1.1 million for fiscal year 1974. It is now scheduled to begin rising again. If this review is right in suggesting below that some fundamental rethinking is needed regarding arms control objectives and approaches, the question arises whether a more broadly conceived and deliberately planned research program could now be productive.

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4. Public Information

ACDA's public information program is in the hands of five people, and uses only about 3 percent of the budget. It is a pedestrian activity—see annex B for an ACDA descriptive submission—and makes little impact on press or public.

ACDA as a whole does not have a conspicuous public presence, and at least since 1968 has made no effort to do so. This is not to say that disarmament has been out of the public eye. On the contrary, the President and Secretary of State have featured it prominently in their policies, their speeches, their press conferences, and their annual reports. Add to this congressional hearings and debates and the attention of media commentators, and the total is substantial.

Most of the public information on arms control coming from the executive branch has come from the White House and State Department, rather than from ACDA. It has been presentation and explanation and defense of the formal U.S. position, in a total foreign policy and national security context. It has been arms control as it emerged from the compromises and buffetings of interagency debate, rather than pure and unalloyed. And ACDA, with the press or the Congress, has expounded and defended this net position rather than the more radical proposals or arguments it may have espoused internally. One consequence has been that the voice of new or clear-cut arms control ideas has been the voice of Senators or Congressmen and of outside experts in Washington or the universities, rather than the voice of ACDA. And this has been in sharp contrast with the situation on defense issues, where civilian and military defense spokesmen have been much more free to argue for a strong defense posture and for weapons systems or strategies beyond those formally included in U.S. defense programs, and to lobby and use strong arguments for their case.

This situation has good and bad features. Since proponents of strong defense and proponents of arms control tend to view each other with suspicion, and Defense still has the largest constituency, it is clearly advantageous where possible to have arms control measures sponsored and defended by the President and Secretaries of State and Defense. To have measures identified with the "arms control community" may lose more support than eloquent and rational arguments will gain. On the other hand, to the extent that there is a consistent arms control case not only for individual measures but also for progressive efforts to extend an arms control regime of which individual measures are a part, something important is lost if this kind of rationale is not clearly and forcefully and repeatedly advanced by people who believe in arms control. And to inhibit responsible officials from articulating and arguing for arms control considerations relevant to defense and foreign policy decisions is to deprive the public and the Congress of often important inputs to sound conclusions. The most glaring case here is the suspension of publication of "World Military Expenditures" after the 1971 edition, because it was felt the factual presentation of the relative size of U.S. military expenditures in the world might make it more difficult to get defense appropriations approved. Wisely, this has been reconsidered and the factual compilation is again to be issued in the fall of 1974.

Another aspect of the ACDA public information activity is contact with universities and other nongovernmental bodies working seriously on control. The ACDA statement at annex B is revealing. It shows only the most remote sense of involvement. Individual ACDA officers have of course kept in touch with writers and scholars and with groups such as the Council of Foreign Relations or Pugwash. The relationship is informal and passive. This is true also with the liaison with colleges offering courses in disarmament. Materials for curricula, or documentation and speakers, have been available on request. But in none of this is ACDA central or an evident motive force or authority in what is done throughout the country.

5. General Advisory Committee

During the 1961–68 period the General Advisory Committee (GAC) met periodically as provided by the act, to review the work of the Agency and offer advice to the Director.

In 1969, the newly reconstituted GAC under the continuing chairmanship of John McCloy took a broader view of its function. It met much more frequently; it examined thoroughly, in consultations with senior officials from the national security agencies and outside experts, the major trends in U.S. defense and foreign policy programs; and it prepared recommendations—pursuant to the act—to the President and Secretary of State as well as to the ACDA Director. Little response was received, or evidence of a GAC impact on decisions.

The GAC has again been reconstituted, with a new chairman who is a nuclear weapons technician and an employee of an AEC contractor. It is to be anticipated that it will return to the more modest role and mode of operation characteristic of the 1960's.

The determining factor here is clearly the personality and mode of operation of the President and his principal advisers in national security affairs. If they wish a range of views and advice and an opportunity to test their thinking face to face with informed citizens of broad experience, a prop-

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erly constituted GAC can afford a perspective not currently provided by any other advisory group. If this is not desired or compatible, the more modest mission of advising ACDA and of serving as a link with important outside groups is useful and can be pursued.

6. Summary

In general, the Agency as it has taken flesh and performed over the past 13 years has provided a core of highly competent people, to give drive and continuity to arms control efforts and serve as a constant gadfly and reminder of arms control possibilities that should be taken into account in foreign and national security affairs. It has a demonstrated capability, with its own staff or people coopted from private life or other agencies, to play any role it obtains in negotiations, from support, through minor or major participation, to leadership. The act is broad enough to authorize a gamut of roles in these fields, depending on the preferences and interests of whoever is President or Secretary of State or ACDA Director. The size of Agency funding and staff and programs has primarily been shaped by what these key executive branch figures want the Agency to do. Congress has been responsive to requests for funds and personnel ceilings. And at least until very recently more than enough good people have been eager to work in the Agency, so that the chief difficulty has been choosing those able and content to work effectively in a bureaucratic environment.

It is as a line Agency in the bureaucracy that ACDA has worked well. As a resource for the Congress or the public, independent of the President, it has scarcely functioned. For example, all Agency spokesmen in their testimony and other public positions have supported the need for "adequate verification including some on-site inspection" for a comprehensive nuclear test ban. ACDA did not carry the case for MIRV controls or an ABM ban to the Congress and public during SALT I. On occasion, some expression of separate personal or Agency views has occurred—Gerard Smith's quiet dissent from the "bargaining chip" approach to justifying U.S. strategic programs, or Dr. Fred Ikle's advocacy of deferring new CW production programs until arms control efforts could be given a fair trial. These are the exceptions; in general, ACDA in public takes the executive branch party line—as in the 1973 report on arms transfers and controls over them submitted following an authorization act amendment introduced by Senator Roth.

As noted earlier, the situation is similar for public affairs, ACDA provides a modest public information service, basically a supplement to White House and State Department programs and not differing significantly in tone or thrust. For the most part, ACDA officials by aptitude and temperament have not been active public spokesmen. Relations with the scholarly or activist part of the public sometimes referred to as the arms control community have been casual and informal. Students of arms control in universities and elsewhere do not look to ACDA as their leader or spokesmen or even preferred interlocutor. ACDA research has been directed to operational uses, not to broader perspective and new ideas.

A principal question for this review—about which more will be said below—is whether an executive agency like ACDA can and should be looked to to undertake a public advocate's role for arms control and disarmament—both on the frontiers of thinking about international and national security, and in broad or partial disagreement with official U.S. policy current programs. This is the standard of measurement by which ACDA most clearly falls short.

IV. FUTURE ARMS CONTROL GOALS AND OPPORTUNITIES

A major concern of any review and hearings concerning the Arms Control and Disarmament Act of 1961 and the Agency established by that act will be to identify the future interests of the United States in pursuing arms control, the objectives to be sought, and the specific proposals or areas of arms control and limitation which appear most promising in the short term or most rewarding if they lead eventually to sound agreements. It is against these future interests, objectives, and possibilities that the adequacy of the present act and Agency can best be measured, and the value of possible changes tested.

The following illustrative possible patterns for arms control efforts in the next few years are not mutually exclusive. Some attention must be given to the elements of each of the more far-ranging approaches, even if the more cautious and limited current approach is given preference as likely to be most practical and fruitful in current circumstances. But it is timely to ask whether new directions and emphases and a somewhat broader approach would enhance the pace and sense of purpose of sound arms control.

A. Continuing the Present Approach

The present strategy of the United States in arms control is pragmatic and ad hoc. It concentrates on the measures—whether preventive and peripheral,

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or aimed at some deeper cutting restraint on present or imminent major systems—which appear to offer early promise of agreement. It concentrates also on the negotiating partner—the Soviet Union—who is the other present major military power and worldwide military presence.

This is a practical approach. It has resulted in a number of agreements over the past 10 years, and in negotiations underway on a number of other measures. In addition to i sures now under active discussion, a number of others can be envisaged which might be more feasible as the international scene evolves. The checklist of possible measures and issues in annex C indicates the range of what might be possible.

This is also not a narrow or evasive approach. In United States and Soviet leaders who have espoused it, it grows out of a keen appreciation of the dangers and uncertainties and costs of the arms race. The first foreign policy report of former President Nixon was eloquent on this theme:

> The traditional course of seeking security primarily through military strength raises several problems in a world of multiplying strategic weapons.
>
> Modern technology makes any balance precarious and prompts new efforts at higher levels of complexity.
>
> Such an arms race absorbs resources, talents and energies.
>
> The more intense the competition, the greater the uncertainty about the other side's intentions.
>
> The higher the level of armaments, the greater the violence and devastation should deterrence fail.
>
> For these reasons I decided early in the Administration that we should seek to maintain our security whenever possible through cooperative efforts with other nations at the lowest possible level of uncertainty, cost, and potential violence.

Concern about risks of the arms race has been accompanied on both sides by a specific recognition of the possibility that nuclear war might occur and a determination to seek understandings which would reduce the risk. No more eloquent statement of this resolve can be cited than that by Soviet Foreign Minister Gromyko, speaking not to an international audience but to the Supreme Soviet, in explaining on July 9, 1969, why the Soviet Government was seeking agreed strategic arms limitations:

> There are problems connected with disarmament that require urgent solution. Among these problems one of the most important is the problem of so-called strategic arms. The point of the matter is primarily whether the big powers ought to come to an agreement to arrest the race of creating increasingly destructive means of attack and counterattack, or whether each of them is to try to break out ahead in one sphere or another to obtain military advantage against his rivals, which will force the latter to mobilize even greater national resources for the arms race. And thus ad infinitem.
>
> There also is another side of the matter that cannot be ignored by a state's long-term policy. It is linked to a considerable extent with the fact that the systems of arms control and direction (unpreventably) are becoming increasingly autonomous, if one can put it this way, from the people who create them. Human capacity to hear and see are incapable of reacting to modern speeds. The human brain is no longer capable of assessing at sufficient speed the results of the multitude of instruments. The decisions adopted by man depend in the last analysis upon the conclusions provided by computers. Governments must do everything possible to be able to determine the development of events and not to find themselves in the role of captives of events.

A number of United States-Soviet bilateral executive agreements have emerged, as well as the directly relevant ABM Treaty designed to reduce the likelihood that either side might feel safe in contemplating initiating nuclear hostilities. In addition, the broad thrust of détente policy, as articulated in the 1972 Moscow Summit Communique and Declaration of Principles, is to create United States-Soviet understanding and mutual interests and procedures to minimize chances of a clash.

B. Broadening the Approach to Controlling the Arms Race

Valuable as the current approach is, it has lost momentum at this time. The loss of direction and hope for early results in present negotiations is one evidence. The other is the vigor of the arms race, the size of United States and Soviet defense budgets, the sense of urgency in the development of new weapons systems even when they seem to add to instability rather than strategic stability, and the spurt in arms sales to third countries.

The impulses to development and deployment of new weapons, particularly strategic weapons where the interaction between the superpowers is most direct and acute, are numerous.

Some pressures are, unfortunately, tied to the negotiating process itself. They include:

1. The asymmetries in the strategic forces of the two sides. Since it is hard to find formulas for balancing dissimilar forces against each other, there is a temptation to permit each side simply to add what the other has but it does not. This produces equality—but by the process of adding rather than reducing forces. This was the method of the 1972 ABM Treaty in permitting two ABM sites on each side; it does not have to be, as the 1974 protocol demonstrates in limiting both sides to a single site.

2. The retention or even addition of forces, often of dubious military need, as "bargaining chips." Whatever the merits of this approach in poker, it has the penalties of launching programs which the other side may feel obliged to counter as a hedge against negotiating failure, and which may take on a strategic or institutional life of their own which changes them from "chips" to "faits accomplis."

3. Hedges. In partial arms control agreements

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there will be areas left open and uncontrolled; there will be pressure to engage at least in research and development in these areas as a "hedge" against the possibility that the other side will shift its production and deployment efforts to the permitted area. And even under comprehensive agreements, there will be an initial period of uncertainty as to effectiveness and viability, which will be the excuse for vigorous research and development as a "hedge" against violation or failure of agreements. Unfortunately, development efforts take on a life of their own and gain a constituency which will argue for deployment if permitted, or that the development efforts of the other side are sinister preparations for abrogation and breakout and rapid buildup so that every development effort perceived must be paralleled. In the more common situations where no limitation agreements apply, some of these same pressures are found. There is an honest conviction by defense scientists and laboratories and firms that technology cannot be limited and that every conceivable avenue and concept for weapons development and application must be explored and pursued at least to the point of ascertaining feasibility. Even when there is not this doctrinaire approach, there may be argued vigorously the case for matching capabilities of the other side in every area of defense technology, as well as for hedges against emergence of new programs on the other side. Given institutional factors already referred to (service, firm or laboratory, national pride in achievement) such activities may gain a momentum which leads to trying to rationalize production and deployment rather than asking whether they are needed or worth the cost in dollars and in strategic stability. Even if this trend is withstood, the dilemma is encountered that the development and production cycle for major weapons systems is so long (sometimes 7 to 10 years) that advance planning and programing must try now to anticipate where the Soviets will be 7 to 10 years hence. Prudence will lead us to assume *(a)* that they will be able to do anything we can achieve, and *(b)* that what they are able to do they will do. If we are to match them, then, we must do whatever we can conceive and prove out. While this extreme logic does not carry the day in every case, it does often enough to explain some of the observable strategic weapons activity today.

One other noteworthy push to the arms race comes from the competitive impulse and the urge not to appear inferior in our own eyes or the eyes of friends and allies and neutrals. The abandonment of superiority for sufficiency was a major advance in defense policy and realism, which should not be deprecated. But initial efforts to define sufficiency in terms of the tasks and missions required of U.S. forces were not totally successful. Recently, sufficiency has in practice come to be more and more closely equated with numerical parity. Worse, we have tended to stress selected measures of parity by which the Soviets are superior, and to argue that these carry the risk of crisis instability and of loss of confidence in us on the part of our allies and other countries dependent on us for strategic defense. This approach has two penalties. It sets us on the path of matching Soviet areas of strength and emphasis—while they either accelerate to exploit their advantages or parallel us by trying to match our strengths and emphases. And it contributes to instability and uncertainty: it can make our allies wonder whether our strategic guarantees are valid if we ourselves seem so doubtful of their worth and of the adequacy of our forces.

If these pressures and tendencies are to be withstood, there will have to be a deliberate effort to do so both in arms control negotiations and in defense planning. Doing so does not mean seeking unbalanced arms control agreements or inadequate United States and allied defense programs. It does involve cool and objective appraisal of specific goals and programs necessary for a fully adequate defense—without letting our choices be determined by technological possibilities, by force matching of individual Soviet programs, or by political considerations such as bargaining chips or a fear that other countries expect a U.S. military posture stronger than we find necessary. This is not an easy course: resolving doubts in favor of weapons development or deployment often looks like the most patriotic and most secure solution. But not only is it expensive; it can help nourish the arms race with its dangers, it can lead to immediate instabilities, and it can make agreements more difficult to reach. Reinforcing the executive branch defense analysis and review process, including introduction or strengthening of adversary analysis and review, can help insure that decisions are made in favor of moderate rather than all-out programs whenever this can be done with advantage or acceptable risk to security. And the congressional review in the course of appropriations and other hearings and debates can continue to contribute increasingly to rational and moderate yet adequate defense programs.

Both executive and congressional spokesmen could usefully stress the breadth and redundancy of our defense programs and those of our allies, putting in proper perspective the threat posed by each Soviet development and deployment program. Recognition of the stability provided by the current level and variety of weapons and forces will also put in proper perspective the risks attendant on re-

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straint reflected either in defense programs or in arms limitation agreements. Unexpected Soviet rates of development or deployment will not quickly upset worldwide or regional balances; in many cases, quite concrete calculations can be made of the offsetting uncertainties as to future Soviet programs and rates of development, precision and timeliness of verification, and rate of U.S. response or counteraction if required. Such calculations, in general or concrete terms, can justify entering into limitation agreements of potential advantage, even if there are some initial uncertainties as to verification and viability.

Similar considerations point to the usefulness of restraint in the development and introduction of new weapons systems. Technological change is expensive and potentially destabilizing—both in stimulating arms races and in engendering weapons introducing strategic instability. Despite the doctrinaire advocacy of modernization and technological change by both United States and Soviet spokesmen, a more balanced and realistic approach has appeared in SALT. The initial SALT agreements in 1972 contained important specific limits on technological developments (radars, mobile ABM systems, new technology for ABM functions, larger missiles). The 1973 Summit agreement in principle on SALT endorsed modernization, but made it explicitly subject to conditions to be negotiated. And in recent negotiations the Soviets have argued repeatedly the need for restraint in strategic weapons development; however onesided their specific illustrations or proposals, the concept deserves exploration and fair and balanced U.S. counterproposals.

Another line which could usefully be pursued would be actually to bargain with the bargaining chips.

If the military balance in general and the strategic balance in particular are seen as broad-based and stable rather than precarious and delicate, approaches become possible which would otherwise be too risky. "Unilateral disarmament" is not an option. While the level of U.S. and allied forces and capabilities remains high, however, individual unilateral actions deserve consideration—whether forgoing incremental improvements (as the United States until recently did for improved accuracy ICBM's which might appear to be part of a first-strike option), or abandoning BW weapons programs as President Nixon did in 1970. Mr. Nixon said at that time, "We are prepared to take any unilateral arms control action that will not compromise our security and will minimize the danger certain weapons will ever be developed or used by any nation." As it subsequently turned out, this unilateral step was followed, not by Soviet exploitation of a chance for a monopoly of a weapons system, but by constructive adjustment of the Soviet negotiating position in a way which facilitated rapid and successful negotiation of the Biological Warfare Convention.

This is a precedent worth bearing in mind. If arms control negotiations are viewed not so much as poker or chess games where each side tries to outmaneuver the other, but rather as an exploration to see whether limitations of common interest and mutual advantage can be identified and incorporated in sound and fair agreements, the negotiating process takes on a different air. In the difficult process of reaching agreement even on this basis, limited and perhaps tentative or temporary unilateral restraint can be a useful indication of avenues for exploration and of serious interest in a concrete result.

Recent arms control negotiations have focused mainly on specific weapons systems. An approach to restraint which might be either a supplement or an alternative might be more general limitations—on military budgets and expenditures, or on military manpower. The difficulties and complexities are enormous, including verification. Nevertheless, what has been impossible need not always be so, particularly as part of a gradual greater interpenetration of societies and general availability of information and access. The U.N. currently is engaged in a review by experts of the problems of defining, equating, and monitoring military budgets. The utility of manpower limitations might initially be greatest in particular regions—as in Europe, in MBFR—or for individual services—as for the Navy, where a common measure of ships with different missions is hard to define, but manpower might serve.

Finally, national leaders might use their authority and prestige to undermine the arms race by avoiding or even disowning preoccupation with it. A sound defense is a primary requirement of a state, and indispensable for security at home and for pursuit of a constructive foreign policy (including arms control). But it is surely not the most important or most challenging national purpose. The well-being of citizens, increased social justice, a more confident world order with greater economic and social progress, are more pressing and more rewarding. It is contrary to our interests to stress military power as the prime measure of a nation and of its status. Such stress is inconsistent with continued U.S. moral leadership and the U.S. role as symbol of what a dynamic multifarious modern society can be. In addition, it encourages proliferation of nuclear and military power in a world where a number of industrializing states with growing capabilities must decide what their priorities will be in choosing their role on the world stage and using their resources for military or civilian programs. Our influence

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should be used to turn the energies of men and nations increasingly to economic, political, social, and cultural activities, seeing security as a matter for common international action rather than rivalry between states. These are tasks for a generation not for this decade, but they need to be recognized and accepted.

C. Multilateralizing and Structuring Arms Control and Disarmament

It was noted at the outset of this review that for the first 10 to 15 years after World War II, disarmament negotiations focused exclusively or predominantly on defining schemes for general and complete disarmament in the framework of the U.N. Charter and U.N. structure. Since then a more ad hoc approach has prevailed, dominated by the United States and Soviet Union even when multilateral rather than bilateral agreements were under discussion.

It may be that in coming years the pendulum should swing back toward arms control negotiations on a broader spectrum of weapons, forces, and geographic areas, with more representative and fuller participation of the members of the U.N., and with a deliberate design of relating arms control measures to each other and to a structure of peace of which the U.N. would be the core. There are a number of reasons for taking this prospect seriously.

In the first place, there is now a sufficient number of arms control agreements in effect or in prospect so that attention should be given to their interrelations, to ways in which they might be mutually reinforcing or might shadow forth a trend pointing to further early negotiations or agreement. Some interrelationships are obvious or have already been alluded to (the tie between the NPT and the SALT agreements in the eyes of nonnuclear states). Other possibilities arise, for example:

Does the BW Convention with its rationale and verification provisions offer any precedent for negotiating a CW Convention, with whatever differences might be necessary in view of the greater provenance of CW capabilities?

In view of the concern expressed in MBFR over the possibilities of retention and rapid return from the Soviet Union of any troops withdrawn from the reduction area in central Europe, is renewed attention now in order to possibilities for national troop ceilings, which would have more equitable impact on West European and Soviet military establishments.

Several smaller states in the CCD have persisted in recent years in raising the issues of the overall pattern of disarmament. Mexico and several associates developed a thoughtful outline of such structure a few years ago. We should perhaps not treat these efforts as unreal and irrelevant.

Another reason for broadening scope is the failure on the ad hoc approach to get regional or other conventional arms limitation discussions underway. Yet regional conflicts and tensions rather than clashes between nuclear states have caused the bloodshed in postwar years (Korea, India-Pakistan, Cyprus, the Middle East, Indochina). The arms trade at its present unprecedented level (sales exceeding $10 billion in 1973) focuses on these areas. New instabilities are emerging—states which have the wealth to outpace their neighbors in buying or building weapons, because of oil revenues (Iran, Saudi Arabia, Libya, Indonesia, Venezuela) or because of industrialization and size (Brazil, Iran, India). Regional balances may be upset as a consequence. A fruitful approach to this problem needs to involve a number of elements—negotiations to settle outstanding or incipient disputes, U.N. or regional organization peacekeeping arrangements, limits on levels and acquisitions of arms, and constructive regional programs of economic and other cooperation. An ad hoc approach does not appear sufficient.

Participation in present arms control negotiations is not representative of major interests. Productive bilateral U.S.-Soviet negotiations should not of course be complicated by early additional participation to no purpose. But after SALT II, the forces of China, France, and the United Kingdom can no longer be left to the indefinite future of negotiations. If arms control in Asia is to be a serious possibility, China must find it in her interest to join in negotiations. New states must be brought into the CCD or its successor—whether established powers like the Federal Republic of Germany or emerging powers like Iran (which has proposed UNGA consideration this fall of a nuclear free zone "in the region of the Middle East").

Such a broader context and sweep to arms control concepts could serve another purpose. Problems of food and population and economic growth press sharply both on leaders and people. They will surely grow more rather than less pressing in the years ahead. Yet old rivalries and hostilities and suspicions, with territorial or racial or ideological roots, can give absolute priority to security concerns over other human needs and aspirations. If pursuit of arms control is to be solidly based and sturdy enough to survive crisis and confrontations, it must be understandable as consistent with the national security and national interests with which people all over the world identify, particularly in crises or when emotions are deliberately aroused.

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There needs to be a "commonsense" of arms control which relates it (as there is good reason to do) both to the solution of problems of scarcity and economic development and growth, and to national security for states and for the international community. (An illustrative formulation is contained in annex D.)

D. General Considerations Regarding Desirability and Verification of Arms Control Agreements

Decisions regarding arms control proposals and arms control agreements can never be made with absolute assurance. They will continue to involve judgment as to where the balance of advantage for U.S. interest lies. Assessing the advantages and disadvantages of any arms control arrangement will be only one element of such a judgment: A comparison should also be made with the advantages and disadvantages of proceeding without the agreement; this comparison was critical in the decisions to conclude the SALT I interim offensive weapons agreement and the BW Convention. Nor can any decision be made without risk: Instead, responsible assessments must be made of the level of uncertainty, the adequacy of retained United States and allied deterrent and defensive power if the agreement is unsuccessful, and the risks in forgoing an agreement with its potential advantages as against continuing independent and often competitive weapons development and deployment programs without constraint.

If arms control decisions involve uncertainties, judgments, and risks, the same thing must be said about U.S. defense decisions. Deciding to proceed with every conceivable or feasible weapons program could increase our unilateral destructive power, but it would not necessarily or even probably increase our security. Given the nuclear weapons and delivery systems that the Soviet Union possesses, let alone those it could deploy, no amount of U.S. military power could protect the territory and population of the United States and its allies from devastation if deterrence failed and nuclear war ensued. Freedom from danger and risk cannot be obtained by accumulating military power; Presidents and Secretaries of Defense have refrained from offering defense and invulnerability to actual attack, and have proposed the strategic programs judged necessary and prudent to improve deterrence and reduce the remote chance that—especially in an international crisis—an opponent might be tempted to have recourse to nuclear weapons. Important as this objective is, it too involves uncertainties and a balancing of benefits and costs and risks: There are budgetary costs to incremental programs, there are the less quantitative but no less heavy costs of continued emphasis on military factors in the U.S. society and in international affairs, and there are the prospects that increments of U.S. military power will be offset by increments to Soviet power to no new advantage but with a potential of higher levels of violence in event of hostilities.

The initiating role in defense and arms control decisions normally lies with the executive branch. Congressional and public opinion, formally or informally expressed, can weigh heavily and even decisively. And the gravity and consequences are such that the elements of judgment, the identification and assessment of alternatives and of uncertainties, risks, and potential benefits and costs, need to be spelled out and debated in the Congress and by the public, whether or not formal approving action for an agreement or a budget is required.

Dr. Kissinger has called recently for a national debate on strategic policy, which would touch such questions as the nature and value of U.S.-Soviet détente, the significance and usable value of military "superiority," and the role of military establishments in foreign policy and in arms control and other international affairs. The origin of the suggestion was the 1974 Moscow summit and the virtual impasse on SALT negotiations there. The proposed policy debate would thus be directly germane to future disarmament and arms control policy and negotiations.

It may be that a fundamental reassessment of international security principles is imperative, particularly as they relate to future disarmament goals and activities. This is an hypothesis which deserves examination in the committee's hearings, and which might be tested by asking witnesses how they see future arms control objectives and activities, as a basis for assessing whether there is any practical or doctrinal consensus. Reasons for believing a reassessment imperative are many; they include:

U.S. basic strategic doctrine emerged in the late 1950's and early 1960's and has not greatly changed or developed since, though the nature of the international scene and the strategic balance have evolved significantly in the past 10 to 15 years;

Efforts in the Nixon administration to modernize and apply strategic doctrine have been tentative and inconclusive; such concepts as "strategic sufficiency," "crisis stability," and "retaliatory options" have been more portentous in presentation than fruitful in application;

Indeed, doctrine has often been difficult to correlate with defense proposals, for example in contrasting strongly expressed concerns about first strike or counterforce capabilities and "crisis instability" with programs to improve warhead

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numbers and power and the accuracy of U.S. missiles.

Efforts by administration figures (such as ACDA Director Ikle in his recent Foreign Affairs article) to reorient strategic concepts have been abortive at best;

Many participants and observers of the SALT negotiations felt that the United States and the Soviet Union reached pragmatic compromises in SALT I agreements, on inarticulated and in some cases differing rationales, rather than a common understanding as to purposes and approaches. The troubled SALT II negotiations and the competitive aspect of current U.S. and Soviet strategic programs support such a view;

Voices have even been heard among arms control proponents (e.g., Dr. George Rathjens) to question the value of disarmament negotiations on present lines, citing the limited scope of the SALT I interim offensive weapons agreement and the Threshold Test Limitation Treaty, and the extent to which they permit or have been used to justify further development and deployment of nuclear systems.

Even before the 1974 Moscow Summit and India nuclear explosion, the multilateral Geneva disarmament negotiations were foundering through lack of serious and productive business as well as the absence of two nuclear powers (China and France) who are also members of the U.N. Security Council. The United States-Soviet preemption bilaterally at the 1974 summit of the nuclear testing issue, as well as the evident disposition to take up CW limitation and climate modification bilaterally, exposes further the sterility of multilateral negotiations at a time when the Indian explosion highlights the likelihood of further nuclear proliferation with its attendant dangers for world peace and stability, dangers which can only be dealt with on a multilateral basis.

In reexamining arms control concepts and rationales, a great number of issues and propositions are relevant. For example:

(a) The role of trust in arms control agreements. This is probably a false issue. No arms control agreement has been based on trust of the Soviet Union. Rather, negotiated or potential agreements have been supported on the basis that they involve mutual commitments which would be to the U.S. benefit if fulfilled, that our verification capabilities would enable us to know whether the agreement was being carried out by other parties, and that our defense posture unaffected by the agreement would assure our security if the agreement were to be violated or otherwise unsuccessful. It is unlikely that "trust" need have any larger role in future negotiations.

(b) The relationship between arms control and détente. What "détente" is, and its value, are seen in sharply different terms by different people today. If understood not as a sudden radical transformation of the international scene in general, and of United States-Soviet relations in particular, but rather as a gradual improvement in relations between states and gradual removal of unnecessary tensions, it is hardly a disputable goal. So conceived, arms control agreements can be steps in the process, which indeed requires concrete mutually advantageous measures in military as well as economic and cultural and personal relations if it is to be a reality rather than a hope. What "détente" can mean for arms control is equally clear; not that for the sake of "détente" we would accept arms control agreements too risky or doubtful to be otherwise acceptable to us, but rather that the interest in advancing détente on both sides will make both sides forego efforts to gain advantage and instead bargain fairly and seriously in a way that will make sound mutually satisfactory agreements easier to reach.

(c) Arms control agreements and verification. The United States has consistently required adequate verification as a prerequisite of any arms limitation commitment. Specific requirements and possibilities have changed strikingly over the past two decades. Initially (as under the Baruch plan, and then in general disarmament proposals) an international inspection and even enforcement apparatus was envisaged. During the test ban negotiations in the years after 1957 preference was increasingly given to reciprocal inspection by states—partly to insure U.S. control and first-hand participation, but even more to relate inspection and the resulting data to unilateral national monitoring capabilities and results. Then in the Limited Test Ban Treaty of 1962 and the SALT I agreements of 1972, the scope of limitations was conformed to the capabilities of national monitoring systems. Reliance on national means of verification is explicit in SALT agreements, where it is reinforced by commitments not to use concealment to frustrate verification. Collaborative measures of a positive nature to facilitate verification are also undertaken —for example, the recently concluded Standing Consultative Commission's accords on procedures for destruction and replacement, or the data exchanges envisaged in the Threshold Test Limitation Treaty.

While inspection is still called for by the United States under a complete test ban and is considered useful in connection with mutual force reductions in Europe, it should be recognized that national means of verification are exceedingly and increas-

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ingly powerful. They can perform missions of searching regularly extensive geographic areas which could be performed only by enormous inspection forces if at all. In looking to future disarmament possibilities, such questions arise as:

Will national verification capabilities continue to expand in ways opening up new arms control possibilities?

Can collaborative techniques be devised to narrow further the area where inspection is indispensable?

If a more open relationship develops among the United States, Soviet Union, and other countries, with greater flow of information and people on a regular and broad basis, will this affect significantly the need for formal inspection in connection with such measures as CW limitations or military budget limitations?

On occasions, agreements have been concluded with no assured means of verification available—the BW Convention and the undertaking not to station means of mass destruction on orbiting objects in space. In such cases, the calculation was that the value of the military means being outlawed was so uncertain and questionable for any user, the risk to the United States so minimal at least with our present arsenal of other ways of retaliating, and the political inhibitions to being exposed as having violated so strong, that the agreement appeared on balance worth while as an additional political inhibition to a new military application. Said in another way, since we were willing unilaterally to renounce biological warfare agents, we could hardly insist on stiff inspection or verification preconditions to accepting a Soviet pledge (and that of other parties) to do the same. Is such a rationale applicable to other weapons, particularly those which excite widespread repugnance, such as CW agents or napalm, even though effective international or national means of verification are difficult to design, let alone negotiate or apply?

V. ISSUES AND AREAS FOR INQUIRY

What has been written so far is intended as hypotheses or tentative conclusions to be tested and revised in the course of hearings and committee discussions. Among the main issues are—

(a) Whether the 1961 act remains a sound and comprehensive charter for U.S. Government disarmament activities;

(b) Whether ACDA as an organization has established itself within the executive branch, performing functions given it under the act;

(c) Whether the current role, funding, and staffing (both in numbers and in quality) are adequate to the job to be done;

(d) Whether the scope and vigor of the role ACDA has played in the executive branch, and relationship to the Congress and public, are responsive to the opportunities;

(e) Whether, in addition to ongoing arms control negotiations and other recognized unfinished business on the agenda, it is time for a rethinking and redefinition of arms control objectives and priorities corresponding to changes underway in international relations and in what may be feasible in the way of international security arrangements. These hearings can hardly do this job, but they can verify if this is indeed an appropriate undertaking at this time, as a challenge to ACDA and the community of scholars and men of affairs interested in defense, disarmament policy, and international security.

A large number of specific questions follow from each of these issues—about ACDA's general capability and success in carrying out its functions, about ACDA's role in the executive branch, about priorities among specific arms control negotiations, and about specific needs for rethinking the U.S. position on various arms control issues. Annex E contains a checklist of possible changes and new emphases which might result from review of these many issues.

A few particular issues, both substantive and procedural, merit further spelling out.

A. It can be argued that however slow the progress toward a more comprehensive limitation on offensive strategic arms, the direct bilateral United States-Soviet strategic relationship has been placed on an orderly basis which minimizes chances that a nuclear confrontation will arise or get out of hand. The elements are the SALT-I agreements, the executive agreements on crisis communication and preventing nuclear war, the 1972 Moscow Summit Communique and Declaration of Basic Principles and the many discussions which went into their formulating, and the experience over the past two decades (before this recent progress in formalizing understandings and procedures) in scrambling through crises.

If this is true, then the great danger in the future may arise out of crises or conflicts among other countries in which United States and Soviet commitments and interests may be involved (Middle East, Cyprus, Indochina, India-Pakistan). In the first instance this involves United States and Soviet recognition of the danger, and understandings to keep it from getting out of hand. But such restraint during crises is difficult in practice, as recent experience in the Middle East attests. Since there are other actors in such situations, who may have an

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interest of their own in getting their protectors over-involved and overcommitted, the third party conflicts can tend to evade superpower control even if the United States and Soviet Union try to tamp things down.

Thus dealing with the third-world foci of tension, areas of conflict, and regional arms races may be of more central importance than is recognized in arms control doctrine. In international affairs, of course, major diplomatic attention is given to areas such as the Middle East, Cyprus, India-Pakistan, and Indochina—whether or not their implications for superpower confrontation are explicitly recognized.

Such actual or potential conflicts are also highly germane to the problem of arms transfers to the developing areas of the world. Major recipients of arms are the countries fearful of such conflicts or engaged in them. Until the conflicts can be seen to be tamped down or on the way to settlement, it is implausible that the countries in conflict or dispute can be expected to agree to limit their stocks or acquisitions of arms, or that unity of attitude and interests among the industrial countries of the world will be found to enable agreements among suppliers.

Similarly, defusing or settling conflicts will in a number of key cases be a precondition of acceptance of the Nonproliferation Treaty. Such steps can conceivably be taken in parallel or as a package, but cannot be dispensed with.

The main burden here is clearly the diplomatic one, rather than the arms control one. The two processes are nevertheless interdependent. And if the goal of reducing the burden of armaments worldwide is to be attained in a significant degree, the problem must be understood in its real complexity and attention given both in and out of government to the political preconditions for progress in many areas of arms control, as well as to how arms control can contribute to larger international processes.

B. If regional conflicts are indeed this crucial to United States-Soviet stability and to arms control, then we are talking of a problem of the broadest possible dimensions. Arms control from this perspective is clearly related to progress in building a structure of peace and world order.

The role which U.N. institutions can play in dealing with crises such as those in the Middle East and Cyprus has recently been apparent. Imperfect as U.N. intervention now is, it plays an irreplaceable role—and its absence in Vietnam and the so far insoluble situation there are instructive. If nations with backgrounds of suspicion and conflict are to come to rely less on their own military strength and great power protectors, and put their resources into peaceful rather than military developments, they will have to have a basis for faith in international processes of mediation, peacekeeping, and even enforcement of agreements.

The issues which are raised include what can reasonably be expected of the U.N. in this field, to what extent can great power cooperation in and out of the U.N. buttress U.N. capabilities and local confidence in them, and how can arms control measures implement or reinforce and facilitate the political understandings that are essential.

C. From these perspectives, it seems unfortunate that arms control negotiations have been so bilateralized recently. Many middle and small states must be brought into a pattern of accords if present arms races and centers of instability are to be brought under control. There is of course a difficult question of judgment and timing: Initial steps in strategic arms limitation clearly had to be taken by the two major superpowers, and moving prematurely to large conferences will be unlikely to yield concrete results. But absence of an apparent awareness of the interests of many states can be counterproductive, and if they are to be involved at some point that must be understood and accommodated. The current annual debate in the UNGA is not enough: It degrades international processes into criticism, blowing off steam, and posturing. Another major issue, then, is how disarmament negotiations can be put on a sounder footing—not just to appease states now outside or inadequately participating, but to begin the process of recognizing and accepting responsibility on the part of states who must at some stage be brought in if some kinds of agreements are to be attainable or viable.

D. An issue of a different kind is whether ACDA is properly placed in the executive branch and national security framework, and whether ACDA plays the full role it should in that framework.

This paper has attempted to describe how ACDA has, in conformity with the 1961 act, interpreted its role and played it as advocate, negotiator, and monitor of arms control and related defense activities. The two principal criticisms are that:

1. ACDA (because of inadequate leadership or because constrained) has not played a sufficiently imaginative and independent adversary role within the executive branch, and has not carried its disagreements often or vigorously to the Congress and public; and
2. ACDA (and the executive branch) have not subjected defense proposals (weapons systems, deployments, and strategies or policies) to a sufficiently balanced, rigorous, and analytic adversary process, both as to their impact on arms control and foreign relations and as to their intrinsic merits.

To some extent, these criticisms are criticisms of the act, which clearly subordinates ACDA to the

President and Secretary of State. The legislative history suggests that the act was written in this way out of fear that ACDA would be too independent and aggressive in negotiations or in "undermining" national defense.

There is a dilemma here. The President does have ultimate responsibility for national security and the conduct of foreign relations. He will require some degree of discipline and conformity to his policies from his agents; different Presidents will differ as to how vigorously this is enforced and as to how highly they value the clash of opinions and arguments even when established policies are being questioned. From the ACDA point of view, there are practical considerations. A doctrinaire proarms control and antimilitary posture is not only of arguable intellectual merit, but unlikely to gain Presidential or other confidence for a central SALT negotiating role, to cite but one example. This is not just a cautious or prudential argument, but a basic question of how a thoughtful supporter of arms control consistent with national security—as stipulated by the act—can best achieve his and the Nation's proper arms control goals. Another consideration is that the President and ACDA need to bring other men and agencies along into willing or even convinced participation in negotiating and carrying out arms control agreements. There are many men in Defense, CIA, AEC, et cetera ready to respond to an effort to persuade and work together in a new direction in which arms control has a major place.

The ACDA input to defense policies and programs raises other difficult issues. ACDA's analytic capability is unique outside the Defense Department. It has already been noted that ACDA in recognition of this competence has in recent years increasingly participated in basic national security policy studies as a supplement and check for Defense studies. This role is one of some sensitivity—indeed, one more likely to put ACDA at odds with the Defense Department than advocacy of arms control measures. It is nevertheless a valuable role. Whether it should be extended and formalized (as was partly envisaged by ACDA's participation in the abortive Defense Program Review Committee of the NSC) involves management and personal factors in the upper reaches of the executive branch. Should the NSC or OMB have a technical and analytic capability rather than be dependent on Defense data and analyses? Do personal relations among the President and his Secretary of Defense and Chairman of the Joint Chiefs of Staff permit a small arms control-oriented agency to be involved in major policy and budgetary decisions?

E. This question of ACDA and objective analysis and scrutiny of defense proposals takes on another dimension when the possibility is added of making ACDA appraisals available to Congress. This possibility was proposed in the amendment to section 50 of the act contained in HFAC Report No. 93-904, but rejected by the House.

The purpose of such a proposal is reasonable. Former President Nixon spoke eloquently of his need for "options" when major decisions had to be taken—and options which were not only identified, but analyzed as to their implications and costs and relative merits. This need is no less strong for the Congress and the public. But the Congress and the public usually are presented with only the preferred course of action or program, with a "hard sell" rather than a discussion of alternatives and relative costs and benefits.

The requirement is valid. Looking to ACDA is a doubtful solution however. In the first place it would be a task which would require a major increase in staff and funds. More important, it would exacerbate the difficulties just described in (D) above of putting ACDA in a formal adversary role in the executive branch—and in this case, potentially adversary to the President as well as to Defense.

A more practical alternative would be to require the President to have the requested determination and analysis (with discussion of relevant options) prepared with the participation of named agencies including ACDA, and submitted to the President of the Senate and Speaker of the House. Such reports would be useful to the President, his National Security Assistant, and OMB. In Congress, they could be the basis for interrogation of executive branch witnesses including those from ACDA; the degree to which differences of view and judgment could be drawn out would depend on the particular President, and his style of encouraging or discouraging dissent and its expression, and his relationship with the Congress. Another variant would be to have the agency involved (e.g., AEC, Defense) submit impact statements to ACDA.

There are alternatives to relying on the executive branch for analysis of proposals and for identification and assessment of alternatives. These include reinforced congressional staffs, outside consultants or experts, contracts with "think tanks," and OTA. The massive body of information and expertise in the executive branch is, however, hard to replace elsewhere, even if more brilliant individuals can be found outside it for at least intermittent advice. Perhaps the best practical compromise would be a combination of legislation, or practice, requiring broader and fuller analytic justification of defense budget and policy proposals, and continued augmentation of congressional staff and consultant arrangements for helping form judgments on them.

F. Another related issue is whether Congress is now properly organized to deal with arms control.

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There are now four subcommittees with varying scope, under the Senate Foreign Relations Committee, House Committee on Foreign Affairs, and Senate and House Armed Services Committees; the Joint Committee on Atomic Energy takes an active interest in some areas. Should there be standing committees on disarmament and arms control or a joint committee on that topic or on national security and arms control, drawing members from appropriations as well as those already named?

From one point of view, the present arrangement, even if duplicative, serves a purpose. Arms control does impact on defense policy and programs, and is integral to foreign policy. It is thus a proper concern of the existing major committees, and there is advantage from the arms control perspective to involving these major committees in studying and considering arms control possibilities and developments. Whether a joint committee of the kind suggested above would add focus and continuity and depth to congressional participation in arms control activities is best decided by the Congress.

G. The paucity and passivity of ACDA public information activities, particularly in contrast with the scale and aggressiveness of Defense public relations activities has drawn some criticism.

Undoubtedly more could usefully be done along present lines. ACDA officials make speeches only fitfully and on invitation, relations with students and citizens groups are casual and on an individual basis, publications have deliberately been cut back in recent years. The congressional mood that led to the bar on domestic "propaganda" about the work of ACDA has probably changed sharply enough so that, given a modicum of good judgment, an expansion in this area would raise no question.

An ACDA role different in kind is more problematical. Arms control is so central to foreign policy and security policy that the President and Secretary of State are likely to continue to take the lead and set the tone. A President with a disposition to a more open administration will be more tolerant of rationales and even speculations diverging from his line than has recently been the case. But a President opposed to a comprehensive nuclear test ban, for example, will not want his ACDA Director arguing publicly for it, unless he's floating a trial balloon, and a President deciding he's for a CTB is going to want to make and defend that case himself —and will put emphasis on support from his Secretary of State and Secretary of Defense and their technical and other experts in preference to ACDA. And the politics of this makes sense for arms control under current circumstances. If the time comes when the sensitivity of national defense issues is seen by Presidents as less delicate, and the value of open congressional and public debate on defense and arms control decisions is seen by them as outweighing the need to push through particular executive branch decisions, a more open and individual ACDA public posture will in turn make sense. In the meanwhile, congressional and private experts and spokesmen may have to carry the weight of making the arms control case.

A checklist of possible recommendations for changes in legislation in ACDA's organization and activities, and in arms control objectives and programs is contained in annex E.

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Annexes

ANNEX A

The Role of ACDA in Arms Control Policy and Negotiations

BACKGROUND

In September 1960, the U.S. Disarmament Administration (USDA) was established as a new unit within the Department of State. Headed by Edmund A. Gullion as Acting Deputy Director, USDA was responsible for policy research and formulation and for the management of participation in international negotiations. The Committee of Principals—the Secretary of State, the Secretary of Defense, the Chairman of the Atomic Energy Commission, the Director of the U.S. Information Agency, and representatives of the White House—was the main organ for settling basic policy matters, under the overall direction of the President. The Secretary of State was chairman of the Committee of Principals.

When President Kennedy assumed office, he appointed John J. McCloy as disarmament adviser and named Adrian S. Fisher as deputy adviser. He also appointed Arthur H. Dean as Ambassador. Ambassador Dean's first task was to lead the U.S. delegation at the Geneva Conference on the Discontinuance of Nuclear Weapon Tests, which had begun in 1958. His deputy was Ambassador Charles Stelle.

General disarmament negotiations had been in abeyance since 1960, when the U.S.S.R. and its allies walked out of the Ten Nation Committee (Bulgaria, Canada, Czechoslovakia, France, Italy, Poland, Romania, United Kingdom, United States, U.S.S.R.). In informal discussions at the General Assembly in March 1961, Foreign Minister Gromyko and Ambassador Stevenson agreed that the United States and the Soviet Union should hold bilateral talks on the composition of the disarmament forum and the principles that should govern subsequent negotiations. In the bilateral talks (June 30–September 20), Mr. McCloy represented the United States and Deputy Foreign Minister Zorin led the Soviet delegation. The talks resulted in the joint statement of agreed principles (September 20).

Meanwhile, Mr. McCloy was directing a major review of general disarmament policy, with the aid of USDA and several panels of experts. As a result of this review, President Kennedy was able to introduce a new U.S. plan for general and complete disarmament to the General Assembly on September 25.

KENNEDY ADMINISTRATION

After the approval of the Arms Control and Disarmament Act (September 26, 1961), William C. Foster was appointed Director of ACDA and Adrian S. Fisher became Deputy Director of the new agency. The act provided that the Director of ACDA was to "serve as the principal adviser to the Secretary of State and the President on arms control and disarmament matters." Mr. Foster immediately began to participate in the Committee of Principals, although he was not a full member until April 1963.[1] Ambassador Dean continued to serve as the U.S. representative at the test-ban conference. The question of the composition of the disarmament forum, which had not been settled in the McCloy-Zorin talks was taken up by Ambassador Stevenson with Zorin at the General Assembly, where it was agreed to set up a new Eighteen Nation Disarmament Committee (the members to the Ten Nation Committee and Brazil, Burma, Ethiopia, India, Mexico, Nigeria, Sweden, and the UAR).

The test-ban conference held its last meeting in January 1962, and the ENDC convened on March 15, 1962. Secretary of State Rusk personally led the U.S. delegation for the first 10 meetings, and the United States was thereafter represented by Ambassador Dean (with Stelle serving as deputy U.S. representative). During its first year, the ENDC was principally concerned with general and complete disarmament and with the test ban. ACDA played an important part in developing the U.S. treaty outline on general and complete disarmament (April 18, 1962) and the alternative comprehensive and partial test-ban treaties (August 27, 1962). During the fall recess of the plenary ENDC, the United States was represented on the test-ban subcommittee (U.S., U.K., U.S.S.R.) by Stelle; Ambassador Dean was at the General Assembly.

In the test-ban subcommittee, and later in the plenary ENDC, the Soviet Union expressed willingness to accept automatic seismic stations ("black boxes") on its territory to monitor an underground test ban. Later, Premier Khrushchev personally wrote to President Kennedy and stated that the Soviet Union would accept two or three onsite inspections a year.

In January 1963, ACDA Director Foster led the U.S. delegation in informal talks at New York and Washington with the United Kingdom and the Soviet Union. The purpose of these talks was to try to work out a new control system for a comprehensive test ban, based on automatic seismic stations and a small number of onsite inspections. They were not successful, and the discussion was resumed in the ENDC. Mr. Foster at first led the U.S. delegation, but Ambassador Stelle was later left in charge.[2] Ambassador Stelle negotiated and signed the June 20 "hot line" agreement at Geneva. He was assisted by two experts from the Department of Defense—Brig. Gen. George P. Sampson and Clifford D. May, Jr.

On June 10, President Kennedy announced that the Soviet Union had agreed to a Moscow test-ban conference with the United States and the United Kingdom. Under Secretary of State Harriman represented the United States at this conference, and ACDA Deputy Director Fisher was on the delegation. The limited test-ban treaty was initialed by Harriman on July 25 and signed by Rusk on August 5. It was generally similar to the 1962 partial treaty, which had been rejected at the time by the Soviet Union.

JOHNSON ADMINISTRATION

President Johnson continued to use the policymaking machinery that had been developed during the preceding administrations. The U.S. delegation to the ENDC was usually headed by

[1]The Chairman of the Joint Chiefs of Staff also participated; he also became a full member in April 1963.

[2]Ambassador Dean resigned at the end of 1962.

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Foster or Fisher. After Stelle's death in 1963, the deputy U.S. representatives were Arthur L. Richards (1964) and Clare H. Timberlake (1964–65). After Ambassador Timberlake was reassigned, the U.S. delegation was headed by ACDA General Counsel George Bunn or ACDA Assistant Director Samuel De Palma on the rare occasions when both Mr. Foster and Mr. Fisher were absent.

President Johnson's initial arms-control program was a group of related measures to halt the nuclear arms race—including a freeze on strategic nuclear delivery vehicles, a comprehensive test ban, a cutoff on the production of fissionable materials for weapons purposes (and the transfer of stockpiled materials to peaceful uses), and a nonproliferation agreement. The ENDC was the principal forum for the discussion of these measures. It was not, however, the channel that was used for the parallel cutbacks of fissionable materials production announced by the United States, the United Kingdom, and the Soviet Union in April 1964.

Keeping nuclear weapons out of outer space had been a U.S. goal since the Eisenhower administration, but little progress had been made in this area because the Soviet Union took the position that arms-control measures for outer space should be linked with the elimination of missiles and foreign bases. After the limited test-ban treaty was signed, Foreign Minister Gromyko told the General Assembly that the Soviet Union wished to conclude an agreement banning the orbiting of objects carrying nuclear weapons. The question was considered by the Committee of Principals, with ACDA participation. It was decided to seek a General Assembly resolution noting parallel statements by the Soviet Union and the United States of their intention not to orbit weapons of mass destruction. The American statement was made by Ambassador Stevenson. On October 17, 1963, the General Assembly passed a resolution welcoming the Soviet and American statements and calling on all states to refrain from orbiting such weapons.

Negotiations on the Outer Space Treaty began in 1966. Most of the issues were settled in the Legal Subcommittee of the U.N. Committee on Peaceful Uses of Outer Space. The principal American negotiator was Ambassador Arthur Goldberg, who was assisted by ACDA Deputy Assistant Director Sidney Graybeal. The treaty was opened for signature January 27, 1967.

ACDA took the leading role in developing the United States draft Non-Proliferation Treaty of August 17, 1965. Nonproliferation gradually became the chief subject of negotiations, but the United States and the Soviet Union long remained at odds on several key issues. Some of the basic disagreements were resolved in informal talks between Rusk and Gromyko (September-October 1966), and Mr. Foster worked out agreed treaty language with Alexey A. Roshchin, the Soviet representative on the ENDC. After long and arduous negotiations, the treaty was opened for signature on July 1, 1968.

Meanwhile, the United States was trying to engage the Soviet Union in strategic arms limitation talks (SALT). The exchanges with the Soviet Union were carried out through diplomatic channels and at the Glassboro meeting of June 1967. ACDA was not represented at the Glassboro meeting, where the SALT question was discussed with Kosygin by President Johnson and Secretary of Defense McNamara. Through the Committee of Principals, however, ACDA had a major role in developing the U.S. position. On July 1, 1968, President Johnson announced that the two countries had agreed to begin SALT. But the talks did not begin owing to the repercussions of the Soviet invasion of Czechoslovakia in August.

NIXON ADMINISTRATION

At the beginning of his first administration, President Nixon appointed Gerard C. Smith as ACDA Director. Mr. Fisher continued as Deputy Director for a few months and was then succeeded by Philip J. Farley. President Nixon abolished the Committee of Principals and set up new policymaking machinery. Basic policy was now made in the National Security Council (where ACDA participated). The NSC established a steering committee, headed by Smith, to study arms-control options. For SALT, there was also established a Verification Panel, chaired by Henry A. Kissinger. Besides Smith, both parties also included high-level representatives of State, Defense, the Joint Chiefs of Staff, and the Central Intelligence Agency. There was also an NSC Under Secretaries Committee for SALT which established a Backstopping Committee chaired by the ACDA Deputy Director.

At first, Mr. Fisher led the U.S. delegation at the ENDC, where he presented the first U.S. Draft Seabed Treaty (May 22, 1969). At its summer session, the ENDC was enlarged by adding eight new members—Argentina, Hungary, Japan, Mongolia, Morocco, the Netherlands, Pakistan, and Yugoslavia—and renamed the Conference of the Committee on Disarmament (CCD). Also at the summer session, ACDA Assistant Director James F. Leonard became the U.S. representative at Geneva. The CCD was the principal forum for the negotiations that led to the conclusion of the Seabed Treaty (Feb. 11, 1971) and the Biological and Toxin Weapons Convention (Apr. 10, 1972). From 1972 to date the U.S. delegation has been led by Ambassador Joseph Martin, Jr., who is an ACDA officer.

Although the United States regularly consulted with its allies, SALT was a bilateral negotiation between the United States and the Soviet Union. After a thorough policy review, President Nixon announced on July 5, 1969, that Mr. Smith would head the U.S. delegation. Other senior members included Mr. Farley, former Deputy Secretary of Defense Paul Nitze, former Secretary of the Air Force Harold Brown, Ambassador Llewellyn Thompson, and Maj. Gen. Royal B. Allison, USAF. Ambassador J. Graham Parsons later replaced Thompson.

At the fourth SALT session (March 15-May 28, 1971), Mr. Smith and Soviet Deputy Foreign Minister Semenov agreed to set up a special group to study the problem of preventing accidental nuclear war. This group was headed by Parsons for the United States and by R. M. Timberbaev for the Soviet Union. Prepared by this group, the Nuclear Accidents agreement was initialed by Smith and Semenov at Helsinki on August 20 and signed at Washington by Secretary of State Rogers and Foreign Minister Gromyko on September 30.

Meanwhile, another special group had been working out a new "hotline" agreement. This group was headed by Clifford D. May, Jr.,[5] for the United States and by V. P. Minashin for the Soviet Union. It worked out a new agreement for the use of satellite communications between Washington and Moscow. The agreement was initialed by May and Minashin at Helsinki on September 6 and accepted ad referendum by Smith and Semenov on the next day. It was signed by Rogers and Gromyko on September 30 at Washington.

Most of the negotiations that led to the conclusion of the ABM Treaty and the interim agreement on strategic offensive armaments were handled by the U.S. delegation, headed by Mr. Smith. The discussions leading to the announcement of May 20, 1971, however, took place through other channels. A few outstanding issues were settled at the Moscow summit meeting by Dr. Kissinger and President Nixon. The ABM Treaty and the interim agreement were signed by President Nixon and General Secretary Brezhnev at Moscow on May 26, 1972.

Mr. Smith led the U.S. delegation at the first session of the second phase of SALT (November 21-December 21, 1972). Here he and Mr. Semenov signed a memorandum of understanding for the establishment of the Standing Consultative Commission provided for in the ABM Treaty and the interim agreement on strategic offensive armaments. The U.S. repre-

[5]As noted above, Mr. May had previously negotiated the first "hotline" agreement. In 1971, he was Deputy Manager of the National Communication System.

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sentative on the Commission is Sidney Graybeal, an ACDA officer.

In January 1973, Mr. Smith resigned. President Nixon decided to separate the position of ACDA Director from that of the head of the U.S. delegation to SALT, and he named Ambassador U. Alexis Johnson as head of the delegation. Mr. Farley continued as Acting Director of ACDA until July, when Fred C. Ikle became Director. J. Owen Zurhellen, Jr., was later appointed Deputy Director.

Although the ACDA Director no longer headed the U.S. delegation to SALT, ACDA continued to participate in the policymaking machinery for SALT, and Ralph Earle II, an ACDA officer, is a member of the delegation.

The NATO countries proposed negotiations on mutual and balanced force reductions (MBFR's) in Europe in their Reykjavik communique of 1968, but the Soviet Union and its allies were not then willing to negotiate. It was not until January 31, 1973, that preparatory talks between the NATO and Warsaw Pact nations began. The U.S. delegation was led by Jonathan Dean, the Chairman of the Interagency Group for MBFR's, and ACDA officers participated in the talks and in the policymaking. In the talks, agreement was reached on arrangements for the conference.

In the conference, which began in October 1973, the U.S. delegation has been headed by Ambassador Stanley P. Resor. An ACDA officer, Dr. Timothy W. Stanley, serves on the delegation, and ACDA staff officers serve as advisers. The policymaking machinery is similar to that for SALT, and ACDA Assistant Director Miller is Chairman of the Interagency MBFR Coordinating Committee.

Ambassador Martin continues to serve as U.S. Representative on the CCD. The main subjects of negotiation in recent years have been the comprehensive test ban and chemical weapons.

Under the provisions of the Non-Proliferation Treaty, a Conference is to be held in 1975 to review the operation of the treaty. An international committee has been set up to prepare for this Conference. It held a meeting in the spring of 1974 and will hold its next session in August. ACDA Deputy Director Zurhellen is the U.S. Representative on the committee.

UNITED NATIONS

Arms-control and disarmament discussions are regularly discussed in the General Assembly. ACDA plays an important part in developing the U.S. position, and the Director, the Deputy Director, and the U.S. Representative to the ENDC (now CCD) have been the U.S. spokesmen on arms control in the First (Political and Security) Committee. Other ACDA officers also serve on the U.S. delegation. There has been no change in the ACDA role during the period since 1961, except that the Director and the Deputy Director have not participated in the First Committee debate in recent years.

Similarly procedures were followed at the 1965 session of the Disarmament Commission, where Ambassador Stevenson led the U.S. delegation and ACDA Director Foster personally participated in the debate. The Disarmament Commission has not met since 1965.

ANNEX B

ACDA Public Information Activities

ACDA PUBLIC AFFAIRS BUDGET

The following table gives a detailed breakdown of the current estimate of the spending on public affairs activities during fiscal years 1974–76:

	Fiscal year—		
	1974	*1975*	*1976*
Personnel salaries[1]	$135,000	$137,000	$145,000
Consultants	14,000	14,000	14,000
Publications	65,000	90,000	77,000
Film		50,000	50,000
Administrative support (State Department)	21,000	22,000	24,000
Travel	2,000	2,000	2,000
Total	237,000	315,000	312,000

[1]Does not include cost of salaries for the time top personnel of the agency devote to participation in and management of the ACDA public affairs program.

Currently, ACDA has five personnel (three professional and two secretaries) assigned full time to public affairs activities.

PRESS OPERATIONS AND PUBLICATIONS

The ACDA Public Affairs Office has always placed major emphasis on dealing with media. It maintains continuous contact with both American and foreign correspondents, briefing them directly through office visits and telephone calls.

It also prepares guidance for the daily State Department press briefings and provides guidance as required for use by the White House, the Secretary of State, and USIA. (Until fairly recently, the office also assigned its own spokesmen to overseas negotiating delegations.) The office also arranges for interviews of the Director, Deputy Director, or other senior officials by members of the press; and it produces speeches, articles, press releases, and other publications. (A list of ACDA publications is attached.) ACDA supplies 177 depository libraries throughout the United States with all its publications, including unclassified research reports. In addition, publications are mailed to organizations and individuals on request.

PUBLIC SPEAKING AND BRIEFINGS

ACDA personnel participate in two categories of speaking programs: (a) A Washington program of briefings for interested groups and members of the general public, and (b) engagements to address groups throughout the country. In 1973, Agency officers responded to 65 requests for speakers; in 1972, the number was 89. Such engagements include university audiences, schools, civic organizations, religious associations, and arms control, national security, and foreign policy seminars. ACDA officers also attended conferences and symposia in which they participate in the discussions.

FILMS

ACDA plans to produce a documentary film, or films, on arms control during the 1975–76 period. The total cost of this effort is estimated at $100,000, including production and distribution.

ARMS CONTROL EDUCATION

The agency considers the stimulation of arms control study in college and university curriculums an important objective. In an effort to survey the extent of instruction in this field, ACDA sent a questionnaire to about 2,400 institutions of higher learning. The results were encouraging. The survey showed that courses with an arms control content are given in a wide variety of departments, and arms control is given attention in special interdisciplinary seminars and conferences. The number of textbooks is increasing, and general textbooks on international rela-

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tions are giving more thorough treatment to arms control negotiations and agreements. Upon request, ACDA serves as a channel for the exchange of information on study programs, and assists in planning seminars and conferences, as well as participating in them.

As for the Agency's educational support program for secondary schools, ACDA participates in the briefing program sponsored by the Department of State for visiting groups in Washington and also distributes publications by mail. The Agency recently mailed a four-page information piece, "Current Negotiations on Arms Limitations," to a mailing list of 11,000 secondary school teachers in the political and social sciences. The Agency contributes articles on arms control and disarmament on an annual basis to three leading encyclopedias. And, of course, individual requests for publications and information are answered.

The ACDA Public Affairs Office also performs a service function to other members of the Agency, compiling and distributing a daily newsclipping sheet from the national press, distributing wire service copy whenever appropriate, distributing transcripts of press conferences and other public information materials—all aimed at keeping Agency personnel abreast of policy statements and news events that they should know about.

ANNEX C

Checklist of Areas and Issues Relating to Future Arms Control

1. Specific arms control possibilities:
   —Extension of SALT (in scope, duration, number of participants);
   —NPT and nonproliferation;
   —Further limitation of nuclear testing;
   —Naval limitations;
   —CW abolition or limitation;
   —Weather and other environmental warfare;
   —Military budgets or expenditures;
   —Regional arms control agreements (on forces or armament levels, on nuclear-free zones, or on arms acquisitions); and
   —General agreements, among suppliers and/or recipients, regarding arms transfers.
2. Arms control options and contributions in political processes:
   —Arms control in regional settlements (Middle East, Indo-China, Korea, East Asia);
   —Arms control and China;
   —Arms control and Europe;
   —Conflict resolution, international peacekeeping, and mediation;
   —Military establishments and arms acquisitions in developing societies, and their effects on economic growth and local conflicts;
   —Extension of Laws of War (Geneva Conventions);
   —Institutional impact of arms control agreements (IAEA safeguards systems, SALT, SCC, NPT review conference, UN organs); and
   —Security guarantees (including nuclear guarantees) to enable nonproliferation and moderate defense policies.
3. The kind of military balance to be sought, and where arms control can help:
   —Strategic force structures and their interaction;
   —Strategic policy issues (deterrence and relevance of alternatives, strategic stability, first-strike capabilities and crisis instability, limited nuclear war missions and force requirements, political impact of relative strategic strength);
   —Present or future technological change and stability, possibilities for limiting (for example, limiting testing);
   —Limiting threats to deterrent forces (accuracy, ASW);
   —Involvement of other nuclear powers in strategic limitations;
   —Regional limitations on force and arms (Europe, Middle East, Korea, et cetera);
   —Implications of new regional powers (Iran, Brazil, India, et cetera); and
   —"No first use" of nuclear weapons (in general, regionally, against non-nuclear states).
4. Defense policy and related political or economic issues in U.S. or U.S.-Soviet Relations:
   —U.S. overseas presence and bases;
   —Worldwide role of U.S. and Soviet navies;
   —Role of major powers in internal security and insurgency in other countries; and
   —Role of U.S. defense budget in U.S. domestic economy, economic impact of arms limitations;
   —Role of U.S. arms sales in balance of payments and domestic economy;
   —U.S. and Soviet technological capabilities and status, and implications for political and military stability.

ANNEX D

A Commonsense View of Arms Control in a Changing World

A. The interests of ordinary people throughout the world include:

1. Security, both from external attacks or threats, and from constraints on national choice and growth other than those inherent in the interdependence of the modern world;
2. Security policies and programs which make sense to the majority of people and are supported by them;
3. Peace and the avoidance of war, and practical political and other steps to reduce the risk of war—especially nuclear war;
4. Improvement of relations among countries, including those recently isolated or hostile;
5. Emergence of a more orderly world community with fewer barriers to cultural and personal and commercial intercourse, with procedures for resolution or containment of disputes or conflicts, with aid for the developing countries, and with equitable access to natural resources;
6. Reduced military confrontation and reduced need for priority to military affairs, and reduced allocation of citizens' lives and resources to defense.

B. While rational national defense policies and pooling of defense efforts in collective security can do something toward reducing military burdens, there are limits to what unilateral or alliance restraint in defense decisions and measures can do with safety. Arms control, involving variously the superpowers or regional groups or worldwide participation, is needed in order to:

1. Reduce the level or the threatening posture of opposing military establishments;
2. Reduce the pace and hence the cost of technical change in weaponry;
3. Reduce the chance of outbreak of war, including war through accident or miscalculation;
4. Avoid intensifying and prolonging local conflicts by a flow of increasingly sophisticated and destructive arms and production know-how;

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5. Enable increasing the share of public resources devoted to domestic needs or to aid for the pressing needs of developing countries;

6. Demonstrate an imaginative and practical approach to international security that will satisfy both the idealistic and the prudent demands of people.

ANNEX E

Checklist of Possible Recommendations

A. Recommendations Designed to Enhance ACDA's Role or Improve its Operations

1. Legislation

(a) Remove ACDA from subordination to the Secretary of State.

(b) Give the ACDA Director NSC membership or observer status by statute.

(c) Require ACDA analysis and comment on defense programs and policies; either

1. Harrington amendment; or

2. Provision (perhaps in DOD Authorization Act) requiring the President to obtain and transmit to the Congress an "impact" analysis with arms control impact and ACDA evaluation specifically included, whenever a new weapons system is proposed.

(d) Same approach as *(c)* above to major U.S. arms sales.

(e) Include provision (perhaps in ACDA authorization act) endorsing a more active public information program and earmarking funds.

(f) Amend section 50 to require that the annual report deal not only with "the activities of the Agency" but also with the status, prospects, and needs of arms control.

(g) Establish Senate and House Arms Control Committees (or one joint committee).

(h) Amend act to require that the Director or other ACDA official be the negotiator for all arms control negotiations.

(i) Amend act (section 2) to assign to ACDA primary responsibility within the Government for its functions.

(j) Amend act to require that ACDA be consulted on military assistance decisions, foreign military sales, and issuance of arms export licenses.

(k) Amend act to stipulate that ACDA must on request submit views and reports to appropriate officials or committees of the Congress, and that ACDA Director must on request state his personal views to the President and to competent congressional committees.

(l) Make General Advisory Committee advisory to Congress as well as the President, Secretary of State, and ACDA Director.

2. Funding, Organizational, or Procedural Recommendations Within Present Act

(a) Increase funding levels—

—Overall.

—For central functions of policy formulation and negotiations.

—For research (in general or in specified areas).

—For analysis (including of defense weapons systems proposals).

—For public information.

(b) Greater recognition of Director's "principal adviser" role, through—

—NSC and defense program review regular participation.

—Participation in major diplomatic occasions (summits, major visits of heads of state or foreign ministers) where arms control is prominent.

—Role as U.S. spokesman on arms control policy.

(c) ACDA leadership of major arms control negotiating teams (SALT, MBFR).

(d) Call for more active ACDA public information program.

(e) Call for reduction or elimination of number of military officers (active or recently retired) in senior ACDA slots.

(f) Call for more vigorous ACDA dialog with private students of arms control and related issues, and with citizens groups.

(g) Call for more open posture toward Congress by executive branch, and by ACDA in particular, with recognition of congressional (and public) need for access to range of issues, alternatives, facts, and diverse views on arms control and defense decisions.

(h) Call for greater recognition of importance of controlling flows of arms purchases and military forces in regional conflicts, and urge greater use of ACDA in planning and negotiations to limit or settle conflicts, with increased staff and studies to make this possible.

(i) Point to absence of basic studies of possible changes in arms control role in the changing world, and urge greater attention both in government and private bodies.

3. Substantive or policy recommendations (range of possibilities is so great that whole staff review paper constitutes the checklist)

B. Recommendations Designed to Recognize More Modest ACDA Role or Narrower Focus

1. Legislation

(a) Subordinate ACDA and its functions entirely to Secretary of State.

(b) Remove negotiation and/or public information functions from ACDA and concentrate on research, analysis, and policy studies.

(c) Authorize and fund greater congressional capability to study defense and arms control issues and approaches—

—Committee staffs

—OTA

—Outside contracts.

2. Funding, Organizational, or Procedural Recommendations

(a) Urge State Department (NSC staff? DOD analysis and policy units?) be strengthened to play a larger role.

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Part VI:
Conducting Military Operations

EDITED BY ANNE KARALEKAS

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I hope our vast expenditure of precious resources will not be a total loss. We are challenged to overcome our current international image of disorganization, unreliability and impotence. Let's have no witch-hunt, but let's not sweep under the rug. If we are introspective, analyze our mistakes, and heed in the future the lessons to be learned, we can emerge a stronger nation.

All segments of our nation must share the blame for our failure and should engage in self-examination—policy-makers, planners, diplomats, military leaders, politicians, bureaucrats, the news media and the body politic.

The comic strip character Pogo has aptly summed it up: "We have met and enemy and he is us."

General William C. Westmoreland,
former Commander in Chief, U.S.
Military Assistance Command,
Vietnam, "The Demise of South
Vietnam," New York *Times*,
May 7, 1975.

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Introduction*

Clausewitz defined war as "the continuation of political relations by other means." His definition was never more appropriate than in the current era of "limited wars," when the military aim of totally defeating the enemy (and his allies) has been substantially modified. When either of two warring parties can expand the scope and form of violence to levels both prefer to avoid, warfare becomes a mode of negotiation, imposing costs and risks to the point that an enemy agrees to desist (but not to totally surrender). The nuclear era makes clear for all to see the point that Clausewitz made so provocatively fifty years earlier.

Fortunately, the recent past does not offer many instances of U.S. military operations. What is available is Vietnam. Vietnam encompasses an enormously complex and often controversial history of the U.S.'s longest war. Part VI of the Commission's Defense and Arms Control Study does not pretend to undertake any full review of Vietnam, or military operations, or the interaction of military operations and foreign policy. Instead, Commission research has piggybacked on two cases researched earlier by an analyst whose interests were closely related to questions asked by the Commission, as well as a third case, where especially relevant evidence just happened to be available. Thus, Part VI focuses on three narrow slices of the history of the conduct of U.S. military operations in Vietnam and asks what these cases suggest about organizational inadequacies, and remedies for the weaknesses identified. The three cases presented here are:

- *The American strategy for fighting in South Vietnam:* given a Presidential determination "not to lose" South Vietnam, why did the U.S. follow a strategy of attrition with large-unit American search and destroy missions rather than one more attuned to the specific needs of a limited war against guerrilla forces?
- *The American bombing campaign against North Vietnam:* given a Presidential decision to try to prevent a North Vietnamese/Viet Cong takeover of South Vietnam, and a decision to attack the North from the air in order to reduce the flow of supplies and infiltration into South Vietnam, why did the United States choose the "slow squeeze" bombing alternative, which provided for a slow, deliberate increase in pressure against an expanding number of targets in North Vietnam? Alternative strategies included the "fast/full squeeze"—a systematic, rapidly escalating program of pressure on a maximum number of targets in the North—or more selective attacks on targets of special value. Why, then, the chosen strategy and more importantly, why was it sustained for three years, despite its minimal success?
- *The assessment of the U.S. war effort,* in particular, the assessment as revealed in the most comprehensive (and accessible) government-wide review of the war, NSSM 1. When at the outset of the Nixon Administration, the various American agencies involved in the war produced judgments on the basic questions about the war, why did they differ so fundamentally, what influenced each unit's judgments, and what do answers to these questions suggest about procedures for assessing military operations?

In no sense can three cases—especially these three—attempt to offer a full examination or evaluation of U.S. activity in Vietnam. Following Commission guidance, we have deliberately avoided the largest and most difficult question, namely, the U.S. decision to make war in Vietnam. Instead, the cases presented here have been focused in an attempt to shed some light on at least four aspects of the conduct of military operations importantly affected by organizational arrangements:

1. *Contingency planning.* In the years preceding the

*The case studies summarized in Part VI were prepared for the Commission on the Organization of the Government for the Conduct of Foreign Policy. This Part, prepared by Anne Karalekas, makes selected use of information and language from the studies. The four original cases are available to the Commission in the Background Volume on Conducting Military Operations. These studies are: "Explaining the Ground Strategy: 1965–1967"; "The 1965 Consensus and the Decision to Bomb North Vietnam"; "Explaining the Bombing: 1965–1967," each by Robert L. Gallucci based on research done in the preparation of the author's larger study *America in Vietnam: Bureaucratic Politics and Military Policy* (Johns Hopkins Press, forthcoming); and "Organizational Imperatives and Agency Responses to NSSM 1," done for the Commission by Edwin A. Deagle, Jr.

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February 1965 decision to make war, the Air Force drew up a contingency plan for bombing North Vietnam. The Army had contingency plans for fighting, wherever war might come (including South Vietnam). As the war developed, both the bombing and the fighting mostly recapitulated these contingency plans. Did the process by which these plans were developed take proper account of the contingencies in which they might be used and appropriately balance military objectives with other foreign policy and national policy objectives?

2. *Advice about military action.* Throughout our Vietnam involvement the military dominated advice presented to the President about the conduct of the war. As Commander-in-Chief, he in collaboration with Congress had sole responsibility for the decision to make war. But his decisions about what kind of war to make, what strategy to follow, and what tactics to adopt, relied heavily, and almost exclusively, on the advice from the military men charged with prosecuting the war. Did that advice give the President an adequate picture of his alternatives and of the likely consequences, political as well as military, of his choices?

3. *The implementation of military operations.* The first two cases aim directly at major choices about the actual conduct of military operations. A long-established tradition in American war-fighting gives considerable autonomy to the commander in the field —in Vietnam, COMUSMACV (Commander U.S. Military Assistance Command, Vietnam). Following that tradition, the JCS role in decisions about military operations mostly consisted of supporting their men in the field. While the President and Secretary of Defense involved themselves deeply in decisions about force levels and in imposing certain restraints on action (for example, bombing targets or sanctuaries), COMUSMACV made the major decisions about the actual conduct of the war. Secretary of Defense McNamara has described his own failure to intervene in the ground strategy in terms of his lack of expertise and the need to depend on men actually in the field.[1] In the light of the highly political nature of U.S. objectives in Vietnam—both international and domestic—the question arises whether the process of decision about the character of military operations gave a fair shake to all the relevant options and balanced appropriately the competing considerations.

4. *Assessment of the effectiveness of military operations.* The U.S. bombing campaign against North Vietnam followed the same course for more than three years before being abandoned in 1968. The attrition strategy in South Vietnam held sway for almost five years, before an independent decision to begin withdrawing American troops forced a change. Throughout these years, both strategies were repeatedly and consistently judged successful by COMUSMACV and supported unanimously by JCS recommendations to the President. In fact, within the military services and among the services, there were conflicting judgments about the effectiveness of both strategies. Moreover, in the view of other agencies, in particular the CIA, the bombing campaign was a failure. Assessments of the war effort through 1968, and more pointedly, the major reexamination of the whole situation undertaken at the outset of the Nixon Administration, should cast light on what the U.S. Government knew about how we were doing in Vietnam and the extent to which the process for making and collecting judgments on this question were adequate.

This summary is organized as follows. The first three chapters present the three cases. Each case is developed in three parts: first, an overview/summary of the case identifies aspects of the process of decision and implementation in the larger case history of special interest (the larger case histories being available separately); second, an analysis of the impact of organizational arrangements on the crucial decisions and actions; and third, an evaluation of government performance. Chapter 4 uses this evidence and analysis to draw lessons, identifying inadequacies in organizational arrangements and suggesting recommendations about possible remedies.

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[1]See Henry Brandon, *Anatomy of Error: The Inside Story of the Asian War on the Potomac, 1954–1969* (Boston: Gambit Press, 1969), p. 164.

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Fighting In South Vietnam*

Based on a case by Robert L. Gallucci

The military strategy of the United States in South Vietnam from the spring of 1965 through the spring of 1969 was a strategy of attrition through large-unit American "search and destroy" tactics. According to General William C. Westmoreland, Commander, U.S. Military Assistance Command, Vietnam (COMUSMACV), search and destroy operations "were designed to find, fix in place, fight and destroy (or neutralize) enemy forces and their base areas and supply caches. This was essentially the traditional attack mission of the infantry." [1] In practice, this strategy meant large units of highly mobile American troops searching out the enemy and killing as many enemy forces as possible with massive American firepower. In practice, it also meant high American casualties (a war of attrition, trading Americans for North Vietnamese and Viet Cong); minimum attention to the South Vietnamese Army (ARVN) and its capacity to fight; limited attention to the political job of winning the support of the civilian population; and significant unintended civilian casualties from misdirected firepower.

As this characterization of the strategy suggests, the war in the South could conceivably have been fought in different ways. After the Tet offensive of 1968 and the subsequent withdrawal of American forces in 1969–70, General Creighton Abrams was forced to abandon search and destroy operations in favor of an alternative that emphasized strategic defense (clearing and securing population areas, especially along the coast); limiting American casualties instead of increasing the enemy's; shifting responsibility for fighting to the South Vietnamese; and decreasing the use of gross firepower from air and artillery, all of which had the effect of concentrating more on the political aspects of counterinsurgency. This alternative strategy was variously labeled Pacification/Counterinsurgency/Vietnamization. Other combinations were possible. Indeed, in the 1965–1968 period, a number of others were advocated including an "enclave strategy" that would secure population centers on the coast and leave the fighting to ARVN, supported by Generals Maxwell Taylor and James Gavin; enclaves plus negotiations, supported by George Ball and William Bundy; and fighting in the countryside with small units of Americans, supported by Roger Hilsman.

The process by which attrition through a search and destroy mission was selected as the primary strategy for fighting in the South did not consider a wide range of alternatives in a balanced manner and choose the alternative that appeared most likely to achieve the President's objectives. Indeed, it may be misleading to speak of a "choice" having been made at all. Rather, attrition through search and destroy *emerged* from the existing structure of decision about military operations and the character of the institution that was (and is) the Army. A decision to fight in South Vietnam strongly implied a decision for the *Army* to fight there—given the assignment of roles and missions, and the absence of any other organization capable of recruiting and training the number of men required. A decision to "go Army" almost certainly meant that the Army would go with its prepared strategy—given Army doctrine, training, equipment, incentives, and contingency plans. Moreover, the structure of decision gave substantial authority to the commander in the field.

Having adopted search and destroy, the Army pursued it doggedly for four years. In fact, there was experimentation by Marines and individual Army commanders, and evidence suggested that alternative strategies were more effective. But the strategy did not change. Again, maintenance of the strategy in the face of considerable disenchantment in civilian circles, and evidence of ready alternatives reflected the structure of decision and evaluation.

*The summary analyst is grateful to Edwin A. Deagle, Jr., and Robert W. Komer for comments on earlier drafts.

[1] Admiral U.S.G. Sharp, USN and General W.C. Westmoreland, U.S.A., *Report on the War in Vietnam* (Washington, D.C.: U.S. Government Printing Office, 1968) p. 91.

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This case examines the process by which attrition through search and destroy became, and remained, the American strategy for fighting in South Vietnam.

I. OVERVIEW

A. Adopting a Strategy

In the spring of 1965 the first regular United States ground combat units were introduced into Vietnam. Marines arrived in March and soldiers, the 173rd Airborne Brigade, arrived in May. Prior to their arrival there were Army Special Forces Units, usually operating on a small scale in remote areas, and a military advisory mission of considerable size in Vietnam. Although these American military personnel numbered well over 20,000, the introduction of regular combat units signaled a dramatic change in the nature of American involvement and completely redefined the American commitment.

The Marines arrived in March following a February marked by repeated requests from the military for their deployment.[2] Over the weeks that followed, there were further recommendations for more American troops. On March 14th, after seven days in South Vietnam, Army Chief of Staff General Johnson returned to advocate deployment of a full American division to one of two sets of locations: either primarily to the Saigon areas at Bien Hoa/Ton Son Nhut, and the coastal cities of Qui Nhon and Nhu Trang and the inland position at Pleiku, or primarily in the highland provinces of Pleiku, Kontum and Darlac (see map p. 385). Johnson and Wheeler both favored the second deployment.[3]

Although two alternatives were aired, one was favored by the two senior military actors and by Secretary of Defense McNamara. Thus, a recommendation that ostensibly called for a conservative enclave strategy for the United States in a coastal deployment of forces, in fact, opened the door to aggressive search and destroy tactics. An American division based largely at Saigon and two other coastal locations could remain in a defensive-security role or could move more aggressively to the adjacent countryside, but it would essentially be in the rear with the population, leaving the Army of the Republic of Vietnam (ARVN) to engage the enemy in force in the sparsely populated highlands. If it were deployed to the three highland provinces as Johnson and Wheeler advocated, however, United States troops would have little to defend and much freedom to pursue the enemy in large-unit operations. The ARVN would be left with the security role on the coast. The two strategies suggested different goals: on the one hand, denying the enemy access to the population and winning victory by stalemate, and on the other, seeking victory by defeating enemy forces in the field. What Johnson's early recommendation meant emerged more clearly as the spring wore on.

Taylor was the first to try to focus attention on the question of the appropriate mission for future American troops sent to Vietnam. His March 18 State Department cable contrasted the risks and benefits of a highland versus a coastal strategy, but it did not produce a prescription.[4] Only after his cable also failed to produce any reaction from Washington did the Ambassador follow it nine days later with a call for an "offensive enclave" strategy, and thus deny support for the developing Army position.

The Army's position, however, was not unsupported. First, Chairman of the Joint Chiefs of Staff Earle Wheeler (an Army man) was negotiating the basic JCS view on the issue, a JCSM. The March 20 JCSM proposed sending two Army divisions to Vietnam—a Marine division going to their existing Tactical Area of Responsibility (TAOR) in the northmost military region, and an Army division going to Pleiku in the central highlands.[5] Second, and more important, General Westmoreland, as COMUSMACV, was preparing a report entitled "Commander's Estimate of the Situation in SVN." Westmoreland's half-inch thick report to Washington had been weeks in the making. It recommended the commitment of two American divisions, embraced the highlands mission, and specifically rejected any kind of enclave strategy. It is clear, therefore, that the field commander had planned to pursue the aggressive strategy, involving sizable American units operating in the countryside in place of South Vietnamese troops, even before the first Marines arrived reportedly to provide security for an American coastal base.

Both Taylor's and the Chiefs' input were considered in the National Security Council meetings of April 1st and 2nd. On April 6th National Security Action Memorandum (NSAM) 328 was issued and included Presidential approval for an

> 18–20,000 man increase in U.S. military support forces . . . two additional Marine Battalions and one Marine Air Squadron . . . [and] a change of

[2] See references in *The Pentagon Papers: The Senator Gravel Edition* (Boston: Beacon Press, 1971), Volume III, p. 399 to JCSM 982–64 dated 23 November 1964 and JCSM 100–65 dated 11 February 1965, pp. 400 and 427. Much of the discussion here is based upon a well written segment of the *Papers* entitled "American Troops Enter the Ground War."

[3] *Pentagon Papers*, Volume III, p. 453.

[4] *Pentagon Papers*, Volume III, p. 446.

[5] See JCSM 204–65 in *Pentagon Papers*, Volume III, p. 469.

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17th Parallel
Quang Tri
Thua Thien
DA NANG
Quang Nam
Quang Tin
Quang Ngai
Kontum
Binh Dinh
Pleiku
Phu Bon
Phu Yen
Darlac
Khanh Hoa
Quang Duc
Tuyen Duc
Ninh Thuan
Binh Long
Phuoc Long
Lam Dong
Tay Ninh
Binh Duong
Binh Thuan
Long Khanh
Binh Tuy
Hau Nghia
Bien Hoa
Kien Phong
Kien Tuong
Chau Doc
Long An
Gia Dinh
Phuoc Tuy
An Giang
Dinh Tuong
Go Cong
SAIGON
Sa Dec
Kien Hoa
Phu Quoc
Kien Giang
Phong Dinh
Vinh Long
Vinh Binh
Chuong Thien
Ba Xuyen
Bac Lieu
An Xuyen
Con Son

mission for all Marine Battalions deployed to Vietnam to permit their more active use under conditions to be established and approved by the Secretary of Defense in consultation with the Secretary of State.[6]

The decision was as characteristically incremental as it was ambiguous on the key points. Because the strategy under which the troops were being deployed was not clearly defined, the military and the civilians interpreted the allocation differently. Although the two battalions were clearly not the two divisions requested, the large size of the support package led the JCS to believe that the intent was to unofficially endorse the deployment of more troops, and they proceeded to plan as if approval had been won. Ambassador Taylor drew the same conclusion after seeing the NSAM.[7] One month later Assistant Secretary of Defense for International Security Affairs (ISA), John McNaughton, had to inform the Deputy Secretary that the JCS had assumed more than was intended.[8]

For some civilians, NSAM 328 signalled the adoption of the enclave concept. It is possible that civilian decision-makers believed that an enclave strategy would lead to victory by causing a stalemate in the South, and it is also possible that they believed they could prevail upon the military to pursue such a strategy. Indeed, the Honolulu Conference held on April 20 brought the principals together and seemed to endorse the coastal strategy. McNamara, McNaughton and Assistant Secretary of State William Bundy met with Taylor, Westmoreland, Wheeler and Admiral Sharp and agreed on recommending a total of 82,000 American troops for Vietnam, all to be assigned to coastal, populated positions.

But ambiguity about the military's acceptance of enclaves should have been dispelled by the actions of the ground commander and the JCS. Together they assumed and planned for a highlands deployment and with it the implementation of search and destroy operations. Five days after the NSAM Westmoreland cabled Admiral Ulysses S.G. Sharp, Commander-in-Chief, Pacific (CINCPAC) that in spite of Washington's reluctance he still wanted an American division for the highlands. His position had not changed; a highlands deployment implied search and destroy, while the coastal location permitted enclaves. Ten days after the Honolulu Conference a JCS Memorandum justified new troop requests on the basis of preparation "for the later introduction of an airmobile division to the central plateau." [9] In short, the Joint Chiefs were stating their intention of introducing their newest, heavy, division-size combat unit to the highlands and characterizing coastal deployment up to that point not as a combat strategy itself but as a preliminary support step in the direction of beginning search and destroy operations.

On the other hand, the language of NSAM 328 and the exchanges at Honolulu indicate that the President and his principal civilian advisors saw the enclaves not only as possibly the first step toward larger involvement, but also as a step more easily reversible than others that might have been taken. There was, then, a gap between the civilian and military positions, and the Chairman of the Joint Chiefs and the commander in the field were attempting to close it by bringing the civilians along to their position. Yet the gap was not one that was clearly articulated. At no point did the White House civilians stand face-to-face with the military on the issue of the ground strategy; at no point did McNamara or Johnson ask the Chiefs for a firm definition of the strategy and its projected force requirements; at no point did the President or the Secretary suggest or request specific alternatives. Instead, as the military position solidified around a strategy of attrition through search and destroy, the civilians drifted toward it—not by way of active deliberation but by passive acceptance.

In his authoritative study *Bureaucracy Does Its Thing: Institutional Constraints on U.S.-GVN Performance in Vietnam* Robert Komer examines issues closely related to those presented here albeit with different emphases. Komer stresses the failure of vigorous Washington-based civilian guidance during the war, leaving the military free to pursue their conventional repertoires—in the case of the Army, search and destroy operations. As Komer argues, the absence of consideration of alternative strategies was a reflection of the absence of organizational or in his terms, institutional, capabilities to implement such alternatives. American forces have been trained and equipped to carry out large-unit operations and the vast machinery both human and technological that *is* the U.S. Army is organized to implement a conventional strategy to the exclusion of a counterinsurgency/Vietnamization strategy. For this reason, Komer argues, whatever popularity counterinsurgency had gained within civilian circles (during the Kennedy Administration in particular) that might have made it the preferred strategy among policy-makers was negated by the fact that counterinsurgency had not gained acceptance from

[6] *Pentagon Papers*, Volume III, p. 703.

[7] See the text of the Ambassador's 12 April cable to the State Department in *Pentagon Papers*, Volume III, p. 449.

[8] JCSM 321-65 of April 30th listed as approved part of the March JCS recommendation, and on May 5th McNaughton sought to make the correction, *Pentagon Papers*, Volume III, p. 411.

[9] See JCSM 321-65 in *Pentagon Papers*, Volume III, p. 458.

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the military nor been integrated into the Army's repertoire.[10]

During the months of May and June the course for the next four years was set. In a May 8th message to CINCPAC Westmoreland set out his "concept of operations" for South Vietnam: there were three "Stages" and four "Phases." Advancing through the stages, United States and Allied forces would move from secured bases to "deep patrolling" beyond initial tactical areas of responsibility to long-range search and destroy operations. The parallel phases would bring troops from defense of secure coastal enclaves to offensive operations launched from them, followed by defense of inland enclaves and more offense from those bases.[11]

Discussion in May over South Vietnamese concurrence with these American plans and coordination with American troops gave way to near panic in early June. On June 5, the Saigon Mission Intelligence Committee reported a series of ARVN defeats and said United States troops would probably be needed.[12] Two days later Westmoreland forwarded more depressing news and an explicit recommendation to CINCPAC:

> In order to cope with the situation outlined above, I see no course of action open to us except to reinforce our efforts in SVN with additional U.S. or Third Country forces as rapidly as is practical during the critical weeks ahead.[13]

Westmoreland's request prompted an open, albeit short-lived debate within the military about the location and use of troops. The real import of the General's recommendation, however, was that it signalled his assertion of autonomy as field commander.

On June 9 the JCS accepted Westmoreland's recommendation both with regard to the troop request and in the critical matter of the location of the most important unit, the Airmobile Division. However, two days later the Chiefs reversed themselves in a memorandum to Secretary McNamara, indicating their preference for a coastal location at Qui Nhon rather than the highlands location proposed by Westmoreland. At the same time they informed MACV, through CINCPAC, that more troops were about to be approved for Vietnam, and that they wanted to know where Westmoreland intended to put them.

Since the JCS inquiry concerned only the single brigade that was due for approval, and not as yet the division which was originally requested, the precedent for rather thorough control of troop movement by Washington might have been set with this message. But this did not occur. In a June 13th response, General Westmoreland first noted the seriousness of the situation in the South and then made a series of eight recommendations including the following:

> Deploy the U.S. Army Air Mobile Division (and logistic increment 3) through Qui Nhon to An Khe, Pleiku and Kontum (approximately 21,000 personnel).[14]

After re-emphasizing his desire to use new troops in the Central Plateau region, Westmoreland, in the words of the *Pentagon Papers* analyst, "made a big pitch . . . for a free hand to maneuver the troops around inside the country." [15] On June 26 Westmoreland was granted that freedom, presumably by the President, and he never relinquished it.

William Bundy informed Ambassador Taylor of Westmoreland's authority to put American troops into combat "in any situation in which the use of troops is required. . . ." [16] Autonomy for the field commander is an established military tradition. In matters of operations the Joint Chiefs routinely defer to the authority of the ranking officer in the field, whatever their individual preferences. Moreover, his position becomes their position and in discussions with the President they assume an advocacy role for his requests. General Wheeler acknowledged the relationship between the field commander and the Joint Chiefs when he said:

> The Joint Chiefs of Staff are good at some things and not good at others. They are good at developing and issuing strategic guidance. But they are not good at developing force levels or guiding the use of forces. These activities must be left to the field commander.[17]

For the early decisions related to troop deployments in Vietnam, the preferences of General Westmoreland joined with that of Army Chief of Staff Johnson and General Wheeler to reinforce the ground commander's recommendations.

The next major troop authorization decision came in the middle of July when thirty-four battalions, including the Airmobile Division, were approved. The last attempts at preventing that decision and the commitment that went with it were made by Undersecretary of State George Ball and, with less enthusiasm, by William Bundy. In a June 28th draft memorandum Ball correctly pointed out that Westmoreland, by his own strategic plan, was jumping to Phase III with the deployment of new

[10] R.W. Komer, *Bureaucracy Does Its Thing: Institutional Constraints on U.S.-GVN Performance in Vietnam* (Santa Monica: The Rand Corporation, 1973), *passim*.

[11] *Pentagon Papers*, Volume III, pp. 411–412.

[12] *Pentagon Papers*, Volume III, p. 413.

[13] *Pentagon Papers*, Volume III, p. 440.

[14] *Pentagon Papers*, Volume III, pp. 470–471. See also pp. 412–414 and 468–473.

[15] *Pentagon Papers*, Volume III, p. 471.

[16] *Pentagon Papers*, Volume III, p. 415.

[17] Quoted in Herbert Y. Schandler, *Making a Decision: Tet 1968*, unpublished doctoral dissertation, Harvard University, 1974, p. 243.

units for inland operations. Ball argued that if American troops already approved were kept on the coast in a defensive posture, a holding action could be fought with minimal losses while a political settlement was negotiated. His July 1st memorandum for the President essentially recommended cutting losses and withdrawal under whatever cover could be provided by negotiated arrangements. The Undersecretary was therefore explicitly linking the strategic concept of coastal deployment with the political goal of disengagement. Assistant Secretary of State Bundy in another memorandum for the President on the same day recommended keeping United States troops in coastal enclaves while a diplomatic solution to the war was sought. Unlike Ball, however, Bundy did not take the position that losses should be accepted if necessary to achieve an exit and, in fact, recommended holding the Airmobile Division and an infantry division ready for deployment. Neither view prevailed.

The equipment available to the Army in the early stages of the war contributed to the selection of the ground strategy and shaped the Army's future expectation regarding the potential for decisive victory over the Viet Cong. The first full division deployed to Vietnam was the 1st Air Cavalry, stationed initially at Binh Dinh, a province on the east central coast. To pursue the preferred large-unit search and destroy tactics Westmoreland decided to introduce troops into the Central Highlands and in the summer of 1965 relocated the 1st Air Cavalry there. He could do this because he had the equipment necessary to do it. Helicopters provided the transport, and the available artillery gave him the confidence that, once located, the enemy could be defeated in a classic engagement.

The battle which resulted between the Viet Cong and the 1st Air Cavalry in the Ya Drang Valley did result in an American victory despite heavy casualties and despite the Army's difficulty in putting its artillery to use against the elusive Viet Cong. Yet field reports relayed to Washington interpreted the victory as an affirmation of the effectiveness and suitability of American equipment in the ground war. Thereafter, ground commanders directed their efforts toward duplicating the 1st Air Cavalry's performance by extensive use of firepower and helicopters.

B. Alternatives and Persistence

The object of the strategy was attrition—to kill as many of the enemy as possible.[18] The object was not to hold ground. The tactics of search and destroy were intended to bring large units of United States troops in contact with large units of the enemy under conditions favorable to the Americans. Critics of search and destroy have argued that it was both strategically and tactically ill conceived. Strategically the war was being fought in the wrong place for the wrong objective. The object should have been to hold ground, the ground occupied by the population. The people of South Vietnam are concentrated along the coast around Saigon and in the Mekong Delta, not in the Central Highlands. The strategy, it is argued, should have subordinated military objectives to the basic political goal of winning the support of the population by clearing the enemy from, and holding, populated areas. The specific nature of the operations recommended as part of a population-oriented strategy varied with the critic, but the essential difference was in the location of troops which always entailed a mode of operations and set of goals easily distinguishable from the large-unit search and destroy operations of the Army.[19]

The second kind of critique of Westmoreland's strategy was directed at the specifics of combat operations: it was said that the tactics employed did not serve the stated objectives of taking the offensive militarily while at the same time supporting political efforts. There are several points here, the most common one being the failure of typical Army operations to successfully "fix" the enemy. The standard procedure in large-unit operations involved sweeping an area, using helicopters to move troops, and air and artillery strikes to "prep" landing zones for the helicopters. The initial warning fire, and the failure to "close the back door" or set up a "hammer and anvil" in the process of a sweep would routinely lead to the escape of those enemy units which might have actually been in front of the sweep—except for those that chose to engage.

Despite the broad criticism of the strategy conducted by the Army in the lower three Corps of South Vietnam, the strategy did not change until political decisions to begin withdrawing American troops forced General Creighton Abrams, Westmoreland's successor, to respond. During the four years of large-unit search and destroy operations

[18]For the purpose of military operations, the Americans divided South Vietnam into four regions also known as "Corps" or "Tactical Zones." The Northern Military region (I Corps or ICTZ) was, until the middle of 1967, the exclusive preserve of the Marines. Although they operated under the general direction of Westmoreland, they were free for some time to conduct their own operations in their own way, quite separate from the Army and its operations in the lower three Corps.

[19]Sir Robert Thompson has written extensively about an alternative strategy for Vietnam emphasizing police action within secured areas and the use of small-unit combat techniques outside such areas. See *No Exit From Vietnam* (New York: David McKay Co., Inc., 1970). See also, Komer's critique of American strategy and in particular his discussion of the U.S.-GVN military relationship. See Komer, *op. cit., passim.*

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American casualties mounted and enemy pressure increased. The Tet holiday offensive in 1968 demonstrated to anyone who might have doubted it that the entire country, including cities and other populated areas, was vulnerable to the enemy. Why, then, did a strategy widely criticized persist so long? Were alternatives not clear to the Army? Did the civilians in Washington not recognize that the war they had decided to fight might have been better fought, at less cost? The senior military initially embraced a large-unit search and destroy strategy undoubtedly because they thought it was the way to win the war. Since Army doctrine and training dictate that wars are won by killing (or posing the prospect of killing) enough of the enemy to force them to stop fighting, the military response to an enemy who would not sit still and fight war was to pursue him. Given the military's doctrinal assumptions, their adoption of search and destroy operations was therefore reasonable. However, it had become so fixed that it led to the exclusion of other alternatives.

From 1961 the counterinsurgency fad among civilians in the Administration had been tolerated by the Army but never embraced. The politically oriented pacification advocates clashed repeatedly with the military advisory mission in Vietnam and the JCS in Washington. Even the Army's own Special Forces, whose mission was redefined in the early sixties to that of a small elite counterinsurgency unit designed to operate in cooperation with indigenous troops, was shunned by the Army establishment. In essence, the Army rejected the proposition that there was anything really special about the special warfare of counterinsurgency, even when the conflict was indisputably an insurgency. By 1967 the Army field manual entitled "Counterguerrilla Operations" devoted a single paragraph to the Special Forces, and wedged it between longer ones on communications and military dogs.[20] General Wheeler's reply to an interviewer who asked him about adopting an alternative strategy, such as enclaves or coastal population defense, revealed his commitment to the traditional military formulation of the conflict in Southeast Asia:

> Unless you match or overmatch the action taken by the enemy . . . predictably you're going to lose . . . the side with the initiative comes out on top. If you lose the initiative, you'll lose the military success you are seeking. . . . Field commanders throughout history have broken their backs to achieve the initiative. You must carry the fight to the enemy. . . . No one ever won a battle sitting on his ass.[21]

In this context a pacification strategy or some variety thereof could not be seriously considered.

There are still the questions of whether the civilians recognized the weakness of the Army strategy and whether they attempted to change it. In the beginning, during the spring 1965 buildup, there is no doubt that the Secretary of Defense supported the aggressive strategy of Westmoreland. His July 20 memorandum for the President recommended doubling the number of American maneuver battalions in Vietnam and authorizing a new mission in which the troops were "by aggressive exploitation of superior military forces . . . to gain and hold the initiative . . . pressing the fight against VC/DRV main force units in South Vietnam to run them to [the] ground and destroy them." [22] Although there is reason to believe that McNamara would ultimately be no more satisfied with the ground strategy than he would be with the bombing campaign, there is no evidence of his efforts to change the former, as he attempted to change the latter. In a 1967 interview with Henry Brandon, McNamara explained his failure to intervene in the ground strategy in terms of his lack of military expertise and the need to depend on men already in the field—in short, he was deferring to the principle of autonomy for the ground commander.[23] The evidence indicates that McNamara became extremely disenchanted with search and destroy but did not see himself as having the resources to do anything about it. Townsend Hoopes writes that McNamara "complained privately of the error and waste inherent in search and destroy operations," but he felt he needed explicit Presidential support to act. Another senior bureaucrat in OSD has said that McNamara had refused to support those in his Office who had sought reform in 1967 "because he didn't think the military would let him get away with it." [24]

There were other civilians, however, who did try to influence the combat operations in South Vietnam. Early in 1967 a memo from the office of the Undersecretary of State, Nicholas B. Katzenbach remarked on the failure of the strategic concept of operations in the South. The report stated that while the language of counterinsurgency survived, "on balance . . . U.S. combat forces remain essen-

[20] U.S. Army FM31-16 (March, 1967), p. 78 states that "As far as counterinsurgency operations are concerned, special forces units have the capability to provide planning, training, advice, and operational assistance to selected host country forces."

[21] Quoted in Henry F. Graff, *The Tuesday Cabinet* (Englewood Cliffs: Prentice-Hall, 1970), p. 128.

[22] *Pentagon Papers*, Volume IV, p. 24. It has also been suggested that McNamara was surprised by Westmoreland's strategy, expecting him to move more slowly from secure coastal positions. See Henry L. Trewhitt, *McNamara* (New York: Harper & Row, 1971), p. 228.

[23] Brandon, *op. cit.*, p. 164.

[24] Interview.

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tially oriented toward conventional warfare." The argument of the paper proceeded from the observation that "U.S. combat forces have been increasingly committed in search and destroy operations even outside the highlands area," to assert that:

> The claims of top U.S. and GVN military officials notwithstanding, the waging of a conventional war has overriding priority, perhaps as much as 9 to 1 (as compared to pacification): according to personal judgments of some U.S. advisors.[25]

The State paper did not change policy, nor could it have. Its analysis was far from thorough and it did not present anything like a clear prescription. Nevertheless it did raise the issue of the dual objectives in South Vietnam—political and military—and suggested that strategy aimed exclusively at the second would surely sacrifice the first.

Two months later MACV itself provided the stimulus for another attack upon the ground strategy, this time from the Office of Systems Analysis, located within the Office of the Secretary of Defense. Alain Enthoven, the Assistant Secretary for Systems Analysis, took the opportunity of an unexpected MACV troop request to send McNamara two memoranda in early May, one entitled "Force Levels and Enemy Attrition," and a second, longer one dealing with the general question of "increase of SEA Forces." Drawing upon some studies done in his office, Enthoven made the point that while MACV based its troop requests on the need to increase the attrition rate of the enemy, there was no evidence that the two were related: "These results imply that the size of the force we deploy has little effect on the rate of attrition of enemy forces." [26] This was a logical conclusion from an analysis of engagements during 1966 that showed that it was the enemy who had chosen to engage United States forces in eighty percent of the cases. It was also a startling conclusion: the enemy had the initiative on the ground. Equally startling was Enthoven's point that the North Vietnamese were capable of replacing up to 200,000 combat losses per year.[27] The second more sweeping conclusion of the Assistant Secretary's was that, in the end, all American military efforts would be wasted if we did not "match the nationalism we see in the North with an equally strong and patient one in the South." Recognizing that nothing was won if stability was lost, and convinced that sending more troops would only increase Hanoi's ability to manipulate the American casualty rate, Enthoven opposed the troop increase and recommended that Westmoreland be told "to start making good analyses of his operations." [28]

[25] *Pentagon Papers*, Volume IV, pp. 396–399.
[26] *Pentagon Papers*, Volume IV, p. 462.
[27] *Pentagon Papers*, Volume IV, p. 296.
[28] *Pentagon Papers*, Volume IV, p. 463.

As 1967 wore on, criticisms of the ground strategy from Systems Analysis no longer had to be stimulated from the outside—they simply poured forth. Writing about the output four years later, Assistant Secretary Enthoven appears modest but is accurate:

> [W]e carried on an unofficial, unsolicited, and small-scale effort consisting mainly of (1) making a number of pilot studies on various aspects of the war and (2) publishing the *Southeast Asia Analysis Report*. With one or two possible exceptions, neither the *Reports* nor the studies had a significant impact on major Vietnam decisions.[29]

According to a staff member who helped produce the studies, the case against the strategy of attrition was well developed by the fall of 1967, even if clear alternatives, beyond recommending small-unit action, were not quick to suggest themselves. It was not until the critical days of March 1968 that civilians in OSD took the final step and proposed a detailed new strategy for Vietnam to replace Westmoreland's.

On January 18, 1968 the Undersecretary of the Air Force and the former Assistant Secretary for ISA, Townsend Hoopes, sent a memorandum to the outgoing Secretary of Defense, Robert McNamara. Hoopes was interested in stopping the bombing so that negotiations might begin. His message discussed the linkage between the bombing of North Vietnam and American casualties in South Vietnam. The link was not "militarily real," he said, but it was "politically real," since Americans had come to believe that bombing in the North saved American lives in the South. This being so, Hoopes concluded,

> A decision to halt the bombing would accordingly seem to require a corollary decision to alter the ground force strategy—away from hyper-aggressive "search and destroy" operations . . . toward what have been called "seize and hold" operations in the populated areas, where the people of South Vietnam actually live.[30]

On February 13, two weeks before Clark Clifford officially took office, Hoopes sent the new Secretary a letter in which he pursued his argument that

> an aggressive ground strategy that generates high casualties may prove to be an insurmountable obstacle to a bombing halt, even if such is judged by U.S. officials to be in the national interest.[31]

[29] Alain C. Enthoven and K. Wayne Smith, *How Much Is Enough? Shaping the Defense Program, 1961–1969* (New York: Harper & Row, 1970), p. 292.
[30] Townsend Hoopes, *Limits of Intervention* (New York: McKay, 1969), p. 133.
[31] Hoopes, *op. cit.*, p. 153.

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Hoopes' criticism of the strategy of attrition drew upon the evidence of its weakness produced by Systems Analysis; two weeks later the major attack from ISA would do the same.

On February 27, after returning from a trip to Vietnam, General Wheeler presented a report with recommendations to the President. Among the more significant requests from MACV which Wheeler seemed to be conveying, was Westmoreland's requirement of 206,756 more troops, or a new ceiling of 731,756 men by the end of the calendar year. The President responded by ordering a review of Vietnam policy and directed Clifford to conduct it. The new Secretary of Defense rapidly translated the task into a series of nine critical questions to be answered about the policy, and assigned each to specific segments of the bureaucracy. It was then the job of a staff group in ISA to prepare a single paper, drawn from all but two of the papers produced by the other agencies, for presentation to the President by the Secretary.[32] On February 29 the ISA group, headed by Leslie Gelb, produced the first draft of the memorandum. The first section was devoted to an evaluation of the current situation in South Vietnam and possible alternatives to it.

The paper began with a bleak assessment of ARVN capabilities and went on to characterize the outlook for the Government of South Vietnam in terms that were bleaker still. The argument then proceeded to Westmoreland's strategy of attrition and dismissed the likelihood of its achieving success given the enemy's ability to continue to supply fresh troops—an ability that could not be sufficiently damaged no matter what the size of the American troop increase, and no matter how many American bombs were dropped. If South Vietnam were still to be "saved," the next step was a logical one:

> Our military presence in South Vietnam should be designed to buy the time during which ARVN and the GVN can develop effective capability. In order to do this, we must deny the enemy access to the populated areas of the country and prevent him from achieving his objectives of controlling the population and destroying the GVN.[33]

But the draft for the President did not stop at recommending that MACV's mission be redefined to population protection, though it did that explicitly. The ISA group went on to describe in the fullest detail, a "demographic strategy of population security," complete with a Corps by Corps description of appropriate activities and battalion locations, the eight advantages of adopting the plan, and six recommendations on how to implement it.[34] An alternative to search and destroy had emerged from civilian councils.

Despite the strength of the ISA arguments and recommendations, the proposed demographic strategy was overridden at this time by the Joint Chiefs who were "appalled at the apparent repudiation of American military policy." But within three weeks, the Chiefs were confronted with a determined Commander-in-Chief who, after an agonizing month of reappraisal, gave way to the doubts of his civilian advisors. On March 31, President Johnson addressed the nation and made public his decision to halt the bombing, to send only token additional forces to South Vietnam and to refuse another term of office.

After March 1968, with the Clifford-inspired ceiling on U.S. forces in Vietnam and following the 1968 election and President Nixon's schedule of American withdrawals, pursuance of large-unit search and destroy operations ended. General Creighton Abrams, Westmoreland's successor, was forced to abandon the existing strategy in favor of one which shifted responsibility for fighting to the Vietnamese and stressed population security along with clearing and holding tactics. These changes constituted an admission that the strategy as defined and executed in the South had been a failure.

II. ANALYSIS: IMPACT OF ORGANIZATIONAL ARRANGEMENTS ON U.S. DECISIONS AND ACTIONS

The decision-making structure for military operations did not generate hard consideration of competing alternatives. Only one service, the Army, was deemed capable of carrying out a major ground war in the South. Having been granted that authority, the Army imposed the only strategy for which it was organized. Civilians were overtaken by the specificity with which the Army pursued its course and by the tradition of deference to the military in the area of military operations. Given the Army's emergence as the dominant service in the ground war, what organizational factors accounted for its adoption of a search and destroy strategy? The answer falls into two categories: the structure of the intraservice decision process and the nature of the Army as an organization.

[32] Wiliam Bundy and Philip Habib's paper on South Vietnamese domestic politics contributed by the State Department, and General Taylor's paper on alternative strategies, went directly to the White House. The others, from State, the CIA, the Treasury and the Joint Staff, went to ISA. See the *Pentagon Papers*, Volume IV, p. 550.

[33] *Pentagon Papers*, Volume IV, p. 564.

[34] *Pentagon Papers*, Volume IV, pp. 565–568.

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A. Structure of Decision Process

The tradition of autonomy for the ground commander, which gave General Westmoreland's preference for search and destroy operations special weight, effectively excluded consideration of other alternatives. (In fact, most senior generals argued with Westmoreland.) This was true both for the initial commitment, couched in terms of a highlands deployment, and for the continuance of the strategy over a four-year period. By insisting on his right to place troops where he thought best, Westmoreland was asserting his natural prerogative. Attrition of the enemy through search and destroy was the traditional attack mission of the infantry, and by June of 1965 Westmoreland had placed himself in a position so as to be able to pursue that mission.

There was little resistance to Westmoreland's assertion of autonomy. The principle of autonomy extends to the chain of command and consistent with their adherence to that principle, the Joint Chiefs routinely adopted Westmoreland's position and assumed an advocacy role for his requests. Among civilians, in particular, Secretary of Defense McNamara, the tradition of the ground commander's pre-eminence inhibited the expression of opposing views. As one who first favored and later came to doubt the Army's chosen strategy, McNamara could have spoken from a position of real strength within the Administration. Yet the dominance of the military and especially Westmoreland made McNamara reluctant to speak out for fear of compromising his position on other issues. Those who did air opposing views, such as George Ball, could not effect a serious hearing, since he lacked a strong organizational base from which to challenge the military. Westmoreland's unique position left him unaccountable to any group, civilian or military, and allowed him to pursue the war according to his own conception without the benefit or hindrance of independent scrutiny.

B. The Army As An Institution

The Army's determination of American strategy was not tailored to the Vietnamese conflict in particular but was simply the wholesale application of the conventional strategy, which the Army had espoused since World War II, and for which it had prepared thereafter. As an earlier analysis by Robert Komer concludes:

> What we did in Vietnam cannot be fully understood unless it is seen as a function of our playing out our military repertoire—doing what we were most capable and experienced at doing.[35]

Neither the Joint Chiefs nor the Department of Defense ever defined the specific goals of attrition through search and destroy beyond the very broad notion of inflicting enough casualties on the Viet Cong and the North Vietnamese to force them into negotiations. The Army's adoption of and adherence to search and destroy can be explained by five major organizational factors:

1. Doctrine

World War II was the formative experience for the Army, and a generation of officers from the junior level to the senior staff were imbued with a set of basic philosophical assumptions derived from this experience. These assumptions are set forth clearly in doctrine—doctrine in which all Army officers were thoroughly schooled. The assumptions which developed during World War II were refined and fixed in the post-War period with NATO and Korean War-type contingencies as models for future American engagements. These contingencies assumed an "intensive conventional conflict in a relatively sophisticated military environment." Specifically, post-war Army doctrine took shape under the shadow of a potential conflict with Soviet forces in Central Europe.[36]

The first major point of Army doctrine is that wars are fought to be won; the reason, and the only reason, for putting an army into the field is to gain a victory from the enemy. Winning, in turn, is defined as destroying the enemy's armed forces or their capacity to fight. As Field Manual 61–100, an authoritative statement of Army doctrine, states:

> The mission . . . is to destroy or capture enemy military forces and to secure or dominate key land areas and their populations and resources. The term 'destroy' . . . is not limited to physical destruction, but may include defeating the enemy forces so decisively so that they no longer have the capability or will to fight.[37]

Second, in order to win an army must take the offensive, dominating the battlefield and controlling the enemy's forces. Third, mobility and movement are essential to offensive tactics; the greater the movement the more effective the strategy is likely to be. Again, to quote Field Manual 61–100,

> Combat power . . . is achieved by organizing responsive, combined arms forces that can move rapidly, deliver accurate fire, and maintain continuous communications. . . . After the enemy has been located, there are three principal tasks in the attack: holding the enemy in position, maneuvering to gain an advantage, and delivering an overwhelming attack at the decisive time.[38]

In the context of Vietnam, the implications of

[35] Komer, *op. cit.*, p. 45.

[36] *Ibid.*, p. 45.

[37] Department of the Army, Field Manual No. 61–100 (Washington, D.C., 1968), p. 1–2.

[38] *Ibid.*, p. 6–1.

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these three points are clear. Army doctrine demanded the classical tactics of ground combat—finding and engaging the enemy—and rejected the static, population-oriented tactics of a pacification or enclave strategy. Holding terrain, protecting population centers and allowing the enemy to set the time and terms of an engagement were antithetical to Army deep-seated philosophical assumptions, to doctrinal requirements, and to the reflexive responses for which the Army trains and conditions its men.

The extent to which doctrine became an institutional imperative is illustrated by the actions of the 173rd Airborne Brigade. One of the first brigades to be stationed in Vietnam, its assignment, consistent with the security objectives of the initial American troop deployment in the South, was a defensive one—to protect the air base at Bien Hoa. In this restricted capacity the Brigade's activity as defined in Washington was to be limited to patrolling the immediate area around the air base. Despite the public declaration of the Brigade's defensive patrolling role, the local commanders were unable to restrict their operations to such a degree. Having been immersed in Army doctrine, they were uncomfortable with the limitations that had been imposed on them. As they perceived their role, indeed, as they had been conditioned to perceive their role, their task was to find and to fix the enemy, in this case, the Viet Cong, whom they knew to be in the area. Whatever the intent of official orders, the 173rd Brigade interpreted them to mean this. They ventured out beyond their patrolling district toward the area known as the "iron triangle" where Viet Cong guerrillas were concentrated and embarked on the classic army mission.

2. Structure

The structure of the Army was yet another factor tilting in favor of large-unit search and destroy operations. To manage large numbers of individual soldiers in combat the Army had evolved a standard pyramid of units and a corresponding chain of command. Grounded in the experience of World War II, this structure accented the role of the division (and corps) commander and his authority to command and maneuver his troops. The standard structure included the following:

Unit	*Commanding Officer*
Corps	Three-Star General
Division	Major General
Brigade	Colonel
Battalion	Lt.-Colonel
Company	Captain
Platoon	Second Lieutenant
Soldier	

According to expectations up and down the chain of command, based on doctrine and training, division (and even corps) commanders were to exercise operational authority over their forces. However, in Vietnam, the fact that the size of enemy units engaged by U.S. forces was normally so small that no maneuvering or use of multiple brigades or even battalions took place, meant that division and battalion commanders were frequently frustrated. When there was larger-unit action, division commanders hovered over (in their command helicopters). Whenever they could encourage engagements large enough to justify their presence, they did. Initiatives by Lt.-Colonels or Captains toward other strategies, especially small-unit strategies met with resistance from higher levels, where commanders had no specific first-hand knowledge of the special problems of Vietnam.

In addition, according to SOP, division, battalion, and even headquarters consisted of a standard package of people, skills, and functions. A ground commander who decided to deploy several thousand additional troops had no alternative means for recruiting those troops or requisitioning the necessary equipment than to rely on the division-based "package." He could not select troops and equipment independently, nor could he provide specialized training suited to the demands of the local battlefield situation. He had to look to the Army structure which assumed and institutionalized a program of action. That the program was not suited to the combat needs of the war did not alter the fact that it was ready and available and could carry out an established routine—large-unit search and destroy operations. FM 61-100 states:

> The division is organized for combat to make the best use of the capabilities of all its elements. It employs a combination of fire and maneuver to accomplish offensive missions. . . . Combat forces move . . . to dominate, neutralize, capture, or destroy enemy forces. . . . Commanders must arouse aggressiveness in subordinates. . . . Unforeseen opportunities to destroy the enemy may arise. Procedures must permit exploitation of such opportunities.[39]

3. Training

At the time of the Vietnam War a number of Army officers and enlisted men had been formally trained in counterinsurgency tactics. These were the Green Berets, the Army Special Forces Unit. Not fighting units, the Green Berets were trained to work with and through the indigenous armies as advisors or division commanders. But the Green

[39]Field Manual No. 61-100, p. 6-32.

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Berets constituted a small, experimental program within the Army. Moreover, the Army never incorporated this mode of warfare into the training for its regular forces.

More to the point is the relationship between established training patterns and the demands of wartime. When large numbers of troops have to be mobilized quickly, no military organization can undertake a new, untested training program. Pressures of time and preparedness dictate reliance on proven and ready techniques and doctrine. Available field manuals and informed instructors must bear the weight of preparing new recruits in a short time frame.

Such was the case in Vietnam. Initial deployments in South Vietnam brought Marines and Army in equal numbers. Although not trained in counterinsurgency tactics, the Marines improvised in ways which approached a pacification strategy. But as the war escalated, the Marines could not keep pace with deployment requirements and were grossly outnumbered by Army units, whose training had been in conventional battlefield maneuvers. These units dominated the war in South Vietnam and carried out classic search and destroy operations.

4. Promotion and Career Incentives

Incentives for promotion during the Vietnam War derived from the legacy of World War II. The persistence of the divisional commands and the reward system which emerged from that pushed officers at every level toward direct, large-unit enemy contact. During World War II the officers who commanded the one hundred Army divisions stationed in Western Europe built their careers out of battalion and brigade-level engagements. Promotion depended on their ability to find the enemy, bring him to battle, and achieve a major tactical victory.

The same criteria were applied to officers in Vietnam. However, because the fighting in Southeast Asia was done at the company level or lower, division, brigade, and often battalion officers were deprived of combat experience and tactical operational authority. Although division, brigade, and battalion commanders (Major Generals, Colonels, and Lt.-Colonels, respectively) had been trained to think of their units as coherent fighting entities, the smaller scale of the war in Vietnam usually allowed them to deploy their units only once. After the initial deployment, they functioned as resource allocators and morale maintainers. But rarely could they maneuver their forces to win victories. The incentives that drove but ultimately frustrated the brigade and division commander affected the battalion and company commanders with more specific results. The Lt.-Colonel who was responsible for the battalion and the Captain who was responsible for the company were each judged and graded by the criteria that had emerged from World War II. Promotion required that they repeatedly demonstrate their capacities to bring the enemy to battle and achieve a technical victory.

As every Captain and Lt.-Colonel knew, at the end of six months of command (and perhaps even sooner) their brigade and division commanders would file a report evaluating their performance. They also knew the criteria by which they would be judged. As an Army officer who was there, and who performed well according to the standards put it:

> For a good report that assured advancement, two things were critical. First, and absolutely central to one's future in the Army was a convincing demonstration to your brigade and division commanders that you could locate the enemy, bring him to battle, and achieve a major tactical victory. Second, you should achieve at least one tactical victory in a battle big enough for you to be there on the ground, so that you could be decorated.[40]

Thus, large-unit search and destroy operations were institutionalized in the career system.

A byproduct of the system of promotion was that the military insisted on maintaining a one-year tour of duty in Southeast Asia. One reason was to maintain the morale of American troops, the other was to insure that a larger number of men gained combat experience—the requisite for promotion. However, the one-year tour had some negative effects on the conduct of the war. One-year tours meant that in some cases where experience would have improved performance, the benefits of experience were not gained because an individual was rotated at the point when he had just acquired sufficient exposure for it to be useful. In the South an Army officer might get several posts in a year, which meant that he would remain in one for a matter of months and therefore might only begin to learn the job as he left it. In instances where developing relations with Vietnamese counterparts was critical, the costs of rapid rotation were high.[41]

5. Equipment

Incentives to make use of available equipment in South Vietnam contributed to the nature of the ground strategy. Tactically, there were at least two good reasons not to use large amounts of equipment, especially artillery. First, it alerted the Viet Cong to the Army's location; second, it usually re-

[40] Interview, Edwin A. Deagle, Jr.

[41] See Komer's discussion of "Lack of Institutional Memory," *op. cit.*, pp. 67–68.

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sulted in the killing of civilians. Yet there were other more powerful influences that determined the enormous use of artillery, fighter planes and helicopters by American forces in South Vietnam.

In the eyes of the military preventing American casualties was perhaps the foremost rationale for the use of heavy artillery and firepower. Using equipment that was technologically superior to the enemy's, it was hoped, would minimize the number of deaths on the battlefield.[42] The fact that the U.S. had such equipment created pressures within the Army for it to be used. Not to employ it might have been perceived by the public and by Congress as permitting unnecessary casualties.

Artillery and helicopters were deployed by individual battalions assigned to each division as support troops. The effectiveness of the battalions was measured largely by the extent to which its services were used by the regular battalions. Thus, for the Lt.-Colonel who commanded an artillery battalion, there were real incentives for using the ammunition that had been supplied. The performance standards of his unit and consequently, his own professional future depended on meeting the evaluative criteria that had been established. The impact on the strategy in the South is clear. Direct engagement with the enemy in the form of large-unit search and destroy tactics was the best means of insuring substantial employment of the equipment available. When large stocks of equipment became readily available, the pressure to use them became overwhelming. At the start of the war, in 1965 and 1966, equipment was relatively scarce or at least limited. By 1967 the supply was almost boundless. Those officers who had experienced the supply restrictions during their first tours returned for second tours in 1967 to find all that they needed and more. Their inclination was to use it in every way possible.

Underlying this inclination was, of course, the assumption that more equipment, especially more firepower, could compensate for tactical failures on the battlefield. The frustration of the Americans in engaging the Viet Cong are well known. Expert infantrymen, the Viet Cong had the advantage of knowledge of the terrain and years of experience in guerrilla combat. The only advantage the Americans had, or believed they had, was in the sophistication and availability of material. Thus, when they found themselves unable to achieve a major tactical victory as defined by Army doctrine they turned to the resources they had with the expectation that this would provide the crucial difference.

[42]Comment by Robert Komer.

III. EVALUATION OF U.S. GOVERNMENT PERFORMANCE

A. *A Reasoned Conception of U.S. Objectives Was Present:* poor.

Neither the military nor civilian policy-makers had closely reasoned objectives in pursuing search and destroy tactics in South Vietnam. The loose idea of inflicting casualties on the Viet Cong and North Vietnamese that were greater than our own led to an open-ended commitment which was limitless both in time and in the allocation of troops. The military played out their prepared strategy, one which was ill suited to the specifics of the Vietnam conflict; while civilians with rare exceptions passively accepted the military's definitions of the problem as well as their recommendation for increased allocations.

B. *The Best Obtainable Information Relevant to the Decision Was Made Available:* poor.

Clearly, on the Presidential level the decision to adopt large-unit search and destroy tactics was biased by the existence of the military's contingency plans. At the same time the military's tacitly accepted position as experts inhibited civilian participation. More specifically, the lack of civilian access to military plans gave the Army exclusive control over strategic options, limiting the scope of information available to civilians. For its own part, the Army made no attempt to go beyond its established program to assess the specific demands and needs of military operations in Vietnam.

C. *The Implications Flowing From the Information Were Effectively Canvassed:* poor.

With the military having defined Vietnam as an exclusively military problem, it remained that in the minds of policymakers. Because the decision process was essentially a closed one foreign policy considerations were not introduced and the basic question of whether or not a military victory could, in fact, be achieved was never seriously posed. Little attempt was made by either civilians or the Army to systematically evaluate what results attrition through search and destroy operations could or could not achieve under the existing conditions in Vietnam.

D. *A Full Range of Alternatives Was Considered:* poor.

Although several strategic options existed, none other than the search and destroy option was seriously contemplated. There were individual advocates of less conventional strategies as well as those, like George Ball, who favored combining a limited military commitment with sustained efforts at negotiations. But no individual could successfully challenge the Army's institutional prerogative, and the unique position of the field commander, who favored the conventional mission, virtually assured

its adoption. After the gross commitment of American military power to Vietnam, options not consistent with ongoing strategy were dismissed, partially because Lyndon Johnson encouraged a closed climate of opinion but also because once the full might of the military machine was unleashed, it would have been virtually impossible to have turned it back.

E. *A Full Range of Relevant Considerations Was Applied:* poor.

Military considerations alone dominated the adoption of the chosen strategy.

F. *All Appropriate Participants Were Consulted:* poor.

Since the process didn't force consideration of competing alternatives, it didn't allow wide participation. Forced consensus was imposed at the upper levels of the policy process, and as the American commitment grew, the number of participants decreased further. Those who attempted to air opinions other than the favored military one were criticized for their deviation.

G. *The Decision Was Taken at the Lowest Level Possible:* good.

The decision regarding a strategy of attrition through search and destroy was taken at the appropriate level, that of the Joint Chiefs and the President, but the decision was not the result of active deliberation among the participants. Because the American commitment in Vietnam was an incremental one, neither Johnson nor McNamara appreciated the long-term results of their initial concessions to the military.

H. *The Decision Was Clearly Communicated to Those Responsible:* good.

The available evidence indicates that there were no difficulties in communication.

I. *The Actions of the Responsible Officials Were Monitored:* unknown.

It is unknown how or whether the military insured compliance with the strategy.

J. *The Results of the Decision Were Noted and Assessed:* poor.

The quality of information available to policymakers in Washington on the effectiveness of the chosen strategy was poor.

K. *The Resources Committed to the Action Were Commensurate With the Task:* split judgment: good and poor.

Once the strategy was accepted, the resources committed were generous. In terms of what results were attained for the amount of resources expended the American effort was disastrous. The quantity of men and material which the United States poured into Vietnam never compensated for a strategy that was ill suited to the requirements of the situation.

L. *The Decision Process Was as Public as Was Consistent With Its Nature:* good.

Decisions related to strategy cannot be brought before a public forum and must be confined to the upper echelons of government. This is not to say, however, that once a decision on strategy is taken its results should not be subject to review by independent agencies which did not participate in the initial decision, e.g. the Congress.

M. *The Decision Was Broadly Consistent With the Public's Sense of U.S. Interests:* mixed.

The heat of the debate over Vietnam makes it difficult to tell of consistency with a single public. It is clear that after the 1964 elections, once an American commitment had been made to Vietnam, Johnson felt pressed by hawkish Congressional groups to prosecute the war vigorously. To some extent at least he was responding to both Congressional and public opinion, whatever his own preferences might have been.

The debate which grew out of the prolonged and inconclusive American effort reflected a divided, though increasingly hostile, public opinion. Given the course of events, it is apparent that policy did eventually change in part because it had become so far out of phase with the public's sense of U.S. interests. That the government's response was so delayed in coming and that the government was perceived as being unresponsive by a large proportion of the public diminishes what might have been a positive aspect of the policy process.

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Bombing North Vietnam*

Based on a case by Robert L. Gallucci

Stabilize the ROLLING THUNDER program against the North. Attack sorties in North Vietnam have risen from 4,000 per month at the end of last year to 6,000 per month in the first quarter of this year and 12,000 per month at present. Most of our 50 percent increase of deployed attack-capable aircraft has been absorbed in the attacks on North Vietnam. In North Vietnam, almost 84,000 attack sorties have been flown (about 25 percent against fixed targets), 45 percent during the past seven months.

Despite these efforts, it now appears that *the North Vietnamese-Laotian road network will remain adequate to meet the requirements of the Communist forces in South Vietnam*—this is so even if its capacity could be reduced by one-third and if combat activities were to be doubled. . . .

. . . the effects of *the attacks on the petroleum distribution system,* while they have not yet been fully assessed, *are not expected to cripple the flow of essential supplies.*

. . . it is clear that, *to bomb the North sufficiently to make a radical impact upon Hanoi's political, economic and social structure,* would require an effort which we could make but which *would not be stomached* either by our own people or by world opinion; and it *would involve a serious risk of drawing us into open war with China.*

The North Vietnamese are paying a price. They have been forced to assign some 300,000 personnel to the lines of communication in order to maintain the critical flow of personnel and material to the South. . . . However, *it is doubtful that either a large increase or decrease in our interdiction sorties would substantially change the cost to the enemy* of maintaining the roads, railroads, and waterways or affect whether they are operational. It follows that the marginal sorties—probably the marginal 1,000 or even 5,000 sorties—per month against the lines of communication no longer have a significant impact on the war.

When this marginal inutility of added sorties against North Vietnam and Laos is compared with the crew and aircraft losses implicit in the activity (four men and aircraft and $20 million per 1,000 sorties), *I recommend, as a minimum, against increasing the level of bombing of North Vietnam and against increasing the intensity of operations by changing the areas or kinds of targets struck.* . . .

The stabilization of ROLLING THUNDER would remove the prospect of ever-escalating bombing as a factor complicating our political posture and distracting from the main job of pacification in South Vietnam.

At the proper time, I believe *we should consider terminating bombing in all of North Vietnam,* or at least in the Northeast zones, for an indefinite period in connection with covert moves toward peace. [Following first paragraph, emphasis added.] [1]

As this memorandum attests, nineteen months after the beginning of sustained American bombing of Vietnam, the chief architect of the American war effort, Secretary of Defense Robert S. McNamara, concluded that the bombing campaign was not working. The objectives of the bombing—as stated by the JCS—were:

1. "to cause North Vietnam to cease its control, direction and support of the Communist insurgency in South Vietnam and Laos. . . ."
2. "to harass, destroy and disrupt military operations in the movement of men and materials from North Vietnam into Laos and South Vietnam," and
3. "to reduce the flow of war resources." [2]

Measured against these objectives, McNamara concluded that the bombing campaign had failed, and

*The summary analyst is grateful to Edwin A. Deagle, Jr., Herbert Gilster, and Barry Horton for comments and suggestions on earlier drafts.

[1] Secretary of Defense Robert S. McNamara, October, 1966, quoted in *Pentagon Papers* (Gravel Edition), Volume IV, pp. 125–126.

[2] *Pentagon Papers,* Volume IV, p. 76. See also Sharp's statement of objectives on January 12, 1967: ". . . inducing Hanoi to cease supporting, controlling, and directing the insurgency in the South: (1) reduce or deny external assistance; (2) increase pressures by destroying in depth those resources that contributed most to support the aggression; and (3) harass, disrupt and impede movement of men and materials to South Vietnam," *Pentagon Papers,* Volume IV, p. 138.

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that further expansion of a campaign of this type to include additional targets, hit by more sorties was not likely to succeed. On these grounds, he recommended stabilizing the bombing at this point, while seeking to achieve U.S. objectives through negotiations.

Over the next two years, the proposition that the bombing campaign—labeled ROLLING THUNDER—was a failure came to be widely accepted throughout the U.S. Government. By January of 1969, all civilian agencies of the U.S. Government agreed in answer to President Nixon's question about the bombings (in NSSM 1) that:

1. "there is no evidence to suggest that these hardships [caused by the bombing] reduced to a critical level NVN's willingness or resolve to continue the conflict. On the contrary, the bombing actually may have hardened the attitude of the people and rallied them behind the Government's program."

2. "While the exact magnitude of [these] supplies flows and requirements are all subject to uncertainty, the basic conclusion seems clear. The bombing failed to reduce support below required levels, even at the increased activity rates of 1968." [3]

Yet for a year and a half after Secretary of Defense McNamara's strong statement of this conclusion to the President, the same ROLLING THUNDER campaign was slowly and gradually expanded to include virtually every war-supporting facility and many politically sensitive targets in North Vietnam—all without significant effect on North Vietnam's willingness to continue the war or its ability to support the war in South Vietnam. Indeed, the history of the American air campaign against North Vietnam in the years 1965–1968 is one of slow, steady expansion in the face of steadily mounting evidence that the campaign was not succeeding.

This case asks why: *why did a bombing campaign of the same character expand incrementally even as evidence accumulated that the bombing was ineffective and perhaps counter-productive?* Two obvious alternatives were: (1) stabilizing (or even reducing) the campaign, as McNamara first recommended in 1966, and as was done after President Johnson's March, 1968 decision not to run for reelection; and (2) replacing the campaign with something like the intensive "Christmas bombing" of Cambodia adopted by President Nixon in December of 1972. This case tries to offer a partial explanation of why one course of action was followed rather than the other, why U.S. bombing of North Vietnam in the years 1965–1968 followed this pattern.

[3] U.S., Congress, *Congressional Record*, May 10, 1972, Extension of Remarks, pp. E 5063 and E 5064.

I. OVERVIEW

American bombing against North Vietnam began in August, 1964 after the Tonkin Gulf incidents, when the United States carried out quick reprisals on North Vietnam PT boats and bases. The American reaction on August 5 was made possible by JCS contingency plans which had been drawn up in the spring of 1964 during an Administration-wide policy review. At that time and again in August the JCS pressed for an immediate program of sustained bombing in North Vietnam. On both occasions civilian policy-makers rejected their arguments mostly on the basis of the upcoming Presidential elections and the fear of provoking negative public opinion.

Following his landslide victory in November, 1964, the President felt less constrained by domestic political considerations and by the end of January, 1965 he decided to launch FLAMING DART, a program of limited air reprisals against the North, as soon as an opportunity presented itself. That opportunity came on February 9, when the Viet Cong attacked U.S. installations at Pleiku. By February 13 the President had decided to stop FLAMING DART and start ROLLING THUNDER, a major program of air raids on the North. The ROLLING THUNDER campaign continued until March, 1968.

The major examination of the bombing options had taken place in the fall of 1964. Shortly after the election, Johnson directed a special NSC Working Group to review American policy toward Vietnam, lay out the alternatives, and make recommendations. The Working Group considered three major options for bombing North Vietnam. Option A, "Continue present policies," called for assisting South Vietnam with action in Laos and covert activity in North Vietnam, with the United States' role in the North limited to controlled reprisals when necessary. Negotiations were to be avoided until Hanoi's position had been weakened. Option B, "Fast/full squeeze," was a systematic rapidly escalating program of pressure on the North by the United States. Negotiations were to be avoided until Hanoi's position had been weakened. Option C, "Progressive squeeze-and-talk," involved a slow, deliberate increase in pressure against North Vietnam by the United States along with open communication with Hanoi.[4]

The Working Group recommended Option C, although the Chiefs strongly favored Option B. (As early as February, 1965, Air Force Chief of Staff McConnell recommended immediate, massive attacks against the ninety-four key targets and never wavered from this position.) [5] Johnson

[4] *Pentagon Papers*, Volume III, p. 221.
[5] *Pentagon Papers*, Volume III, p. 342.

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accepted the recommendation of the Working Group, deciding against the Chiefs and for the "slow squeeze" approach to the bombing: a sustained slowly escalating air campaign against an increasing number of targets. The assumption of the President and of his closest policy advisors, including McNamara, Rusk, McNaughton, and brothers McGeorge and William Bundy, was that carefully calculated doses of force could induce the desired response from Hanoi. The implicit threat of gradually increasing pressure would force Hanoi to the bargaining table under terms favorable to the U.S. The participants agreed that such action on the part of the U.S. involved minimum political risks and left open future options if favorable results were not achieved.

A key consideration in favor of the "slow squeeze" strategy chosen was that it allowed the U.S. to probe the political risks involved in bombing North Vietnam. President Johnson liked to explain the problem in terms of the analogy of seduction and rape.[6] The Soviet Union and China represented the woman; the United States the seducer or rapist. A campaign like ROLLING THUNDER constituted seduction, while the massive "hard knock" bombing recommended by the military would be rape. The chief differences between the two were first, the nature of the woman's response and second, the choices left to the man. A woman, Johnson argued, needed only to slap the seducer for him to understand her preference. Once slapped, the seducer had recourse to several options. A woman being raped, however, was compelled to submit or to react fiercely. Likewise, the rapist was committed to a single course of action. Having embarked on his chosen course, he was forced to employ brute strength to achieve his objective. For Johnson it was essential that the U.S. preserve the options which seduction/ROLLING THUNDER afforded. He did not want to pursue and possibly provoke the extreme actions that rape/ "hard knock" entailed. (Whether Johnson may also have been thinking about American public opinion in similar terms is unclear.)

Once begun in February, 1965, ROLLING THUNDER progressed through four phases until March, 1968, when the President suspended the bombing in conjunction with his major move toward negotiations. Briefly, the four phases may be outlined as follows: [7]

- *Phase I, summer 1965 to summer 1966.* Directed at North Vietnam's transportation system, concentrating on infiltration routes first in the panhandle then moving slowly northward hitting a wider variety of targets. (This so-called "interdiction" campaign remained a principal component of the air war throughout the three years.)
- *Phase II, July, 1966.* Directed at North Vietnam's petroleum, oil, and lubricant (POL) facilities, outside the ten-mile perimeters around Hanoi and Haiphong.
- *Phase III, March through May, 1967.* Directed against war-supporting facilities, including urban power plants and steel plants, outside the three-mile inner radii of Hanoi and Haiphong.
- *Phase IV, August through October, 1967.* Directed against targets in areas previously designated "politically sensitive," principally those within the inner circles of Hanoi and Haiphong.

The actual escalation of the bombing over the next three years was enormously complex, involving numerous twists and turns and occasional fits and starts. Unfortunately, neither the military advisors nor their civilian counterparts had a clearly defined escalation ladder, well-defined categories of targets, or clear statements of the objectives that might be achieved by striking one or another class of targets. As a consequence, while everyone agreed that the bombing was expanding in numbers of sorties, numbers of bombs dropped, and importance of targets attacked, there were no broadly accepted criteria for assessing the path of escalation or for assessing its relationship to specific policy objectives.

In retrospect, attempting to bring some order to this complexity, we have identified some crude indicators of the history of the bombing and have drawn some distinctions among categories of targets, relating each category to a primary policy objective. Figures 1 and 2 graph the average daily fighter-bomber attack sorties and the annual tonnage of aerial munitions.[8] The path of expansion is quite clear. Table 1 distinguishes among major categories of targets and identifies for each a primary associated objective. As indicated, the bombing began with selective military installations and expanded to interdiction routes, petroleum oil and lubricant facilities, production facilities, and finally, politically sensitive targets.

Each phase of the bombing emerged from decisions involving particular complexities and nuances. The history of each phase could be written at great length. Beneath the differences in each phase, however, one discovers a common pattern and character that can be outlined as follows:

1. JCS recommend X+2 level of bombing, accompanied by predictions of success for X+2.
2. Civilians (with various differences) make an agonizing recommendation for X+1 level of bombing.

[6] *Pentagon Papers*, Volume III, p. 354.

[7] Adapted from *The Air War in Indochina*, R. Littauer and N. Uphuffs, eds., (Ithaca, N.Y.: Cornell, 1971), pp. 39–42.

[8] Chart and citations taken from *The Air War in Indochina*, p. 44.

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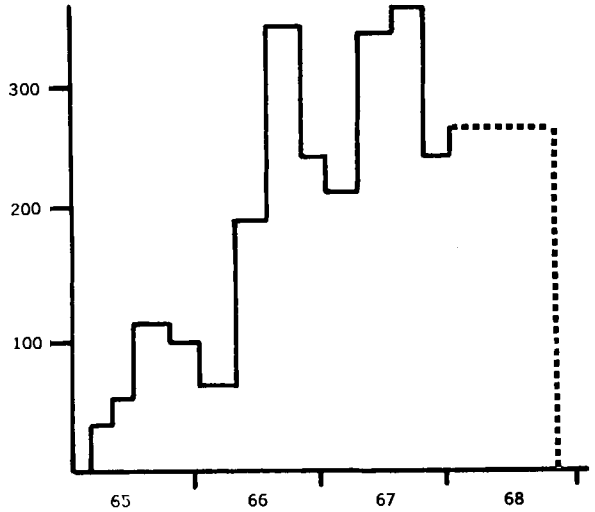
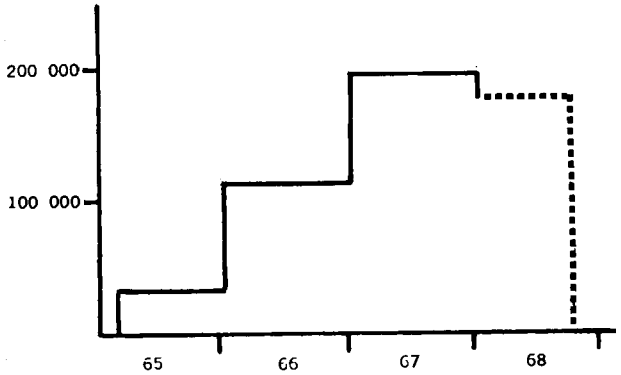
FIGURE 1.—AVERAGE DAILY FIGHTER-BOMBER ATTACK SORTIES*



*Cf. Statistical Summary, Sec. SS–5 (Quarterly breakdown not available for 1968).

FIGURE 2.—ANNUAL TONNAGE OF AERIAL MUNITIONS**



**Cf. Statistical Summary, Sec. SS–8 (1965 & 1968 prorated to equivalent full-year rates).

3. After long and painful review the President decides on X+1½.

4. X+1½ is implemented with no significant effects.

5. JCS recommend X+3 level of bombing and the next round of debate begins.

In the discussion of each phase of the ROLLING THUNDER escalation we will note this common pattern, along with occasional differences among the phases.

The mechanism for advice and decision about escalation at each stage involved the Air Force and Navy field commanders, the theater command, civilian advisors, the Joint Chiefs, and the President. Primary authority for the conduct of the air war rested with the President, the Chiefs, and McNamara. All relied on others as sources for advice and recommendations, and all were limited in their consideration of the bombing by others' assessments. Throughout the war, however, McNamara and Johnson attempted to maintain strict control over the release of fixed targets. With this objective in mind they structured the decision process around the now-famous "Tuesday Lunches," where the two would meet with Secretary of State Rusk, National Security Advisor McGeorge Bundy (later succeeded by Walt Rostow), and Chairman of the Joint Chiefs of Staff Earle Wheeler.[9] By reviewing target recommendations on a regular basis and reserving authority for their release, McNamara and Johnson hoped to keep a firm rein on the military.

TABLE 1.—U.S. BOMBING PROGRAM IN NORTH VIETNAM 1965–1968

Targets	*Primary Associated Objective*
selected military installations (radar sites, army barracks)	reprisal for North Vietnamese actions; convincing Hanoi of American resolve thereby breaking the will of the North Vietnamese Government.
interdiction routes (rail lines, bridges, sea routes, LOC's)	stopping or slowing supplies en route to the South.
POL (petroleum, oil and lubricant facilities)	stopping or slowing critical supply production for the war effort.
production facilities (power plants, iron and steel plants)	destroying Hanoi's war-making capability.
politically sensitive sites (POL and production facilities in the inner radii of Hanoi and Haiphong)	destroying the will of the populace.

Operational control for the air war was exercised by the Commander-in-Chief, Pacific (CINCPAC), Admiral Ulysses S.G. Sharp. In effect, he served as theater commander for the bombing and thus functioned as the Chiefs' principal advisor and one to whom they deferred in matters of policy. Next in the chain of command was the Commander of the 7th Air Force, headquartered at Tan Son Nhut Air Base outside Saigon. During the air war the first person to serve in that capacity was Major General Joseph Moore. In July, 1966 he was succeeded by Lieutenant General William Momyer. Reporting to CINCPAC on the Navy side was Rear Admiral Roger Mehle, who controlled air strikes for Task

[9]Wheeler was invited on a regular basis starting only in 1966.

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Force 77, the carrier division of the 7th Fleet in charge of bombing operations in the North. CINCPAC looked to the Air Force and Navy commanders for information and guidelines for future operations, and CINCPAC's recommendations to the Chiefs were based on data accumulated and forwarded by the field officers of the two services responsible for the bombing.

Once the air war had begun, recommendations for targets originated with CINCPAC, whose proposals defined the limits of all succeeding deliberations within the Administration. The process began with CINCPAC forwarding a list of proposed targets to the JCS. Drawing on the CINCPAC recommendations, the Chiefs would submit a formal memorandum to the Secretary of Defense, Secretary of State, and the President's Special Assistant for National Security Affairs with a list of proposed targets. Independently, these three men would review the recommended targets. The final step in the process occurred during the Tuesday Lunches when McNamara, Rusk, and McGeorge Bundy met with the President and Wheeler to hammer out a decision.

Interdiction bombing was less strictly scrutinized in Washington. For the most part, DOD only set down guidelines on the types of targets that could be hit and prescribed the area within which strikes could be made. Washington attempted to control the quantity of interdiction bombings by granting authority to the field for a fixed number of sorties.[10] Requests for sorties came to Washington from the 7th Air Force and the carrier division of the 7th Fleet, and rarely did Washington reduce the requested sortie rate.

A. Phase I: Interdiction Routes

The first FLAMING DART reprisal strikes and the initial ROLLING THUNDER operations were directed against military targets, primarily radar sites and army barracks.[11] By the end of March, however, bombing operations in the North had shifted to an interdiction program, approved by the President and McNamara following strong recommendations by the military. The adoption of an interdiction rationale meant that the bombing now had a specific operational purpose that presumably could be measured against the entire North Vietnamese war effort. It was hoped that a successful interdiction campaign would sufficiently limit the flow of supplies to the South to choke off the North's ability to continue the war.

The Chiefs initiated discussion of interdiction bombing in February, when they pointed out the value of bombing rail lines and bridges south of the 20th parallel.[12]

Their initial memo made the following claim for their proposed program:

> There is no doubt but that the six targets mentioned comprise an attractive, vulnerable and remunerative target system which would hurt the North Vietnamese psychologically, economically, and militarily. As regards the latter the destruction of the southern bridge system would hamper and delay the movement of DRV/CHICOM ground forces to the south and likewise, would place a stricture on the quantities of material and personnel which can be infiltrated through Laos and South Vietnam. . . .[13]

McNamara, in turn, asked the JCS to develop a detailed plan for comprehensive attack on the southern portion of the North Vietnamese rail system. Diligent planning efforts by the Joint Staff and CINCPAC followed, culminating in a memorandum detailing a twelve-week bombing program to include land targets both north and south of the 20th parallel along with port facilities and industrial targets.[14] In their recommendation to the President the JCS endorsed only the first phase of the program, a three-week campaign against railroad and highway routes below the 20th parallel.

McNamara did not approve the Chiefs' three-week proposal. Only a week earlier, the President had relaxed the military's mandatory one-day strike execution to a week's period with precise timing left to the field commanders. At the same time, the requirement for concurrent timing of U.S. and South Vietnamese strikes was suspended, and the strikes were no longer to be related to Viet Cong atrocities.[15] That relaxation had provided the military with substantially greater authority over the conduct of air operations. Neither McNamara nor the President was ready to consider extending their authority for an even longer period.[16] Nonetheless, the President did approve strikes against lines of communication (LOC's), including bridges, railways, and selected sea routes. The bombing campaign had taken on a new dimension—to restrict the infiltration of material flowing south. Although the Chiefs had not obtained as large a program as they wished, they succeeded in redefining the purpose of the bombing and the nature of the targets.[17]

The next month found the Administration increasingly absorbed with developments in South Vietnam as the President decided on increased U.S.

[10] *Pentagon Papers*, Volume IV, p. 19.
[11] *Pentagon Papers*, Volume III, pp. 284–285.
[12] *Pentagon Papers*, Volume III, pp. 340–341.
[13] *Pentagon Papers*, Volume III, p. 340.
[14] *Pentagon Papers*, Volume III, pp. 343–344.
[15] *Pentagon Papers*, Volume III, p. 284.
[16] *Pentagon Papers*, Volume III, p. 344.
[17] Not until three weeks later did the Administration inform the American people about the interdiction campaign.

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troop deployments along with close air support for South Vietnamese troops to engage in offensive ground operations.[18] Except for a brief bombing pause in mid-May, which failed to elicit any interest in a negotiated settlement from Hanoi, Moscow, or Peking, ROLLING THUNDER continued, gradually growing in intensity. During the pause CINCPAC proposed increased route interdiction and attacks on military and port facilities. Although the specifics of the CINCPAC recommendation were not enacted, the bombing did increase its momentum.[19] By June the number of strikes against chosen targets had increased from one or two per week to ten or twelve per week. The geographic range of the strikes had been extended first across the 19th parallel, then to the 20th, and then up to 20°33′ North; the number of attack sorties had risen to more than 500 per week; the total sorties flown to about 900 per week (four or five times the number at the start of the program); the range of targets had widened to include airfields, naval bases and a few power plants.[20]

Despite the acceleration at every level of the program, the results were disappointing. The bombing had caused disruption to enemy supply lines, slowed down the flow, and made transport more difficult and costly, yet it had had no measurable effect on the ground war.[21] As Admiral Sharp put it, "In the eyes of a military commander, the objectives of the ROLLING THUNDER campaign had not been achieved . . ." [22]

July began with a major debate over escalation of the interdiction campaign. Once again, the Chiefs took the initiative in recommending an abrupt increase in the bombing to include war-producing facilities as well as infiltration routes. In a memo dated July 2 the Chiefs proposed mining the major ports and cutting rail and highway bridges between China and Hanoi. They also urged the destruction of POL facilities, airfields, and SAM sites. The Chiefs estimated that an increase from the existing 2,000 attack sorties per month to 5,000 would be necessary to carry out their proposals.[23]

The JCS recommendation involved serious political risks, namely the potential reactions of China and the Soviet Union. U.S. intelligence agencies regarded mining ports and striking SAM sites as particularly inflammatory.[24] Secretary of Defense McNamara was also concerned with the political implications of such a dramatically expanded program. Following a fact-finding mission to South Vietnam in mid-July, McNamara recommended adhering to the interdiction focus of the bombing—but at an increased level.[25] In follow-up memos McNamara stressed the need to avoid a clash with China and the U.S.S.R. and expressed confidence that pressure against Hanoi could be adjusted by means of types of targets, locations of targets, and kinds of weapons (napalm vs. ordinary bombs) to achieve the desired results.[26]

During these mid-year deliberations on the issue of expanding target areas only one person within the Administration came out firmly against escalation, George Ball. Terming South Vietnam "politically . . . a lost cause," [27] Ball advocated limiting American troop deployments in South Vietnam to the existing level (72,000) and restricting their combat roles. The Undersecretary argued that American objectives could not be achieved either by expanded bombing of the North or by an increase in ground forces. "If ever there was an occasion for a tactical withdrawal," he said, "this is it." [28] This was not the last time Ball would argue for a reduced rather than expanded American military effort; nor would it be the last time he stood alone. Just as the Chiefs were consistent advocates of dramatic escalation, Ball was the advocate of retrenchment.

At this time McNamara's preference for limited expansion prevailed. Interdiction remained the core element of ROLLING THUNDER, and strikes against high-value targets in the Hanoi-Haiphong area were prohibited. Although the Chiefs' arguments for an abrupt escalation were rejected, the military did acquire an increase in targets. By the end of 1965 the fixed target list grew from ninety-four to 236, while strikes against LOC's gradually moved north to the 21st parallel. In addition, the military were granted two-week authorizations for targets.[29] Still, there was no perceptible change in the impact of the bombing.

B. Phase II: POL Facilities

The next escalation, involving the destruction of POL facilities, occurred in July, 1966. The President's decision to strike these targets came after an especially long and agonizing period of deliberation. As we have seen, the Chiefs had first recommended striking POL in July, 1965 and were denied the request. The same request was denied again in November, 1965. Their pleas continued through

[18] *Pentagon Papers*, Volume III, pp. 348–351.
[19] Admiral U.S.G. Sharp, *Report on the War in Vietnam*, p. 28.
[20] *Pentagon Papers*, Volume IV, p. 19.
[21] *Pentagon Papers*, Volume IV, pp. 19–20.
[22] Sharp, *op. cit.*, p. 22.
[23] *Pentagon Papers*, Volume IV, p. 24.
[24] *Pentagon Papers*, Volume IV, p. 24.
[25] *Pentagon Papers*, Volume IV, p. 26.
[26] *Pentagon Papers*, Volume IV, p. 28.
[27] *Pentagon Papers*, Volume IV, p. 29.
[28] *Pentagon Papers*, Volume IV, p. 23.
[29] *Pentagon Papers*, Volume IV, p. 23.

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the spring of 1967 as the existing program failed to achieve the desired results. Wide discrepancies among civilians marked the final policy review in April, 1966, and the next month Johnson approved strikes against POL facilities—almost one year after the military's initial proposal.

Attributing the failure of the bombing to the restrictions that had been imposed in November, 1965, the Chiefs initiated a sustained campaign for an increase in the scale, scope, and intensity of bombing with primary emphasis on POL targets in Hanoi and Haiphong. According to their proposal, the expanded program would start with heavy strikes against POL targets and power plants in the Hanoi/Haiphong area, then proceed with strikes against remaining "military and war-supporting" targets. A follow-up strike program would hit airfields, rails, roads, and waterways in Hanoi and Haiphong in addition to military and antiaircraft installations.[30]

The military's perception of the importance of North Vietnam's POL facilities derived from the fact that North Vietnam had no oil fields or refineries of its own. All of its petroleum products were imported in refined form and nearly the entire supply came from the Black Sea area of the Soviet Union. Haiphong was the only port whose capacity could handle the large tankers carrying bulk POL. From Haiphong the POL was transported by road, rail, and water to other large storage sites in Hanoi and elsewhere.[31]

With these facts in mind the Chiefs believed their recommendations were soundly based and were confident that the proposal would result in a substantial limitation of the supply flow to the South. In making their recommendations they claimed:

> Attack on this system would be more damaging to the DRV capability to more war-supporting resources within country and along the infiltration routes to SVN than an attack against any other single target system. . . .[32] Recuperability of the DRV POL system from the effects of an attack is very poor. Loss of the receiving and distribution point at Haiphong would present many problems. It would probably require several months for the DRV, with foreign assistance, to establish an alternative method for importing bulk POL, in the quantities required.[33]

The intelligence community was less optimistic, however. In responses to McNamara's request for evaluations of the JCS recommendations, both the Board of National Estimates and the CIA doubted the impact of POL destruction on North Vietnam's ability to conduct the war. In a report dated November 27 the Board said that even with heavier air attacks:

> The DRV would not decide to quit: PAVN infiltration southward would continue. Damage from the strikes would make it considerably more difficult to support the war in the South, but these difficulties would neither be immediate nor insurmountable.[34]

A month later a CIA estimate submitted by Richard Helms expressed similar reservations with more specificity:

> The loss of stored POL and the dislocation of the distribution system would add appreciably to the DRV's difficulties in supplying the Communist forces in the South. However, we have estimated that the Communist effort in South Vietnam, at present levels of combat, does not depend on imports of POL into the South and requires only relatively small tonnages of other supplies. . . . Accordingly, we believe that adequate quantities of supplies would continue to move by one means or another to the Communist forces in South Vietnam.[35]

Clearly, there was a wide descrepancy between the military's evaluations and those of the two intelligence groups. At this time no Administration decision was made regarding POL or any other aspect of the bombing. Of more pressing concern was the decision for a bombing pause. In spite of mixed opinions on the purposes and advisability of a pause, a consensus developed in favor of a bombing suspension. The President approved the pause for thirty-seven days, from December 24 until January 31.[36]

Although many civilians were hopeful that the pause would induce the North Vietnamese Government to enter into negotiations, the month-long suspension was seized by the military as an occasion to press for resumption on an expanded scale. On January 12 CINCPAC advocated full-scale attacks on POL, electric power plants, and large military facilities in northern North Vietnam in addition to strikes on port facilities. For the duration of the pause the JCS supported CINCPAC in recommending resumption of the bombing with a hard knock on major POL targets followed by increased "pressure" bombing on war-related facilities.[37]

When the bombing did resume, the military were disappointed in the form it took. No new major targets were authorized, and the former sanctuary and sortie ceilings were maintained. Apart from the prevailing resistance to sharp escalation which was

[30] *Pentagon Papers*, Volume IV, pp. 59–60.
[31] *Pentagon Papers*, Volume IV, pp. 60–61.
[32] *Pentagon Papers*, Volume IV, p. 60.
[33] *Pentagon Papers*, Volume IV, p. 61.
[34] *Pentagon Papers*, Volume IV, p. 63.
[35] *Pentagon Papers*, Volume IV, p. 65.
[36] For discussion of the Administration debate on the bombing pause see *Pentagon Papers*, Volume IV, pp. 32–36.
[37] *Pentagon Papers*, Volume IV, pp. 40–41; 67.

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apparent in the Administration, it appears that civilians were reluctant to give domestic and international critics of the bombing any grounds for charging that the pause was merely a calculated prelude to an intensified campaign rather than an effort to encourage negotiations.[38] For the time being Johnson and McNamara along with other senior advisors were content to maintain the interdiction orientation of the bombing with a concentration on striking infiltration routes into South Vietnam.

Nonetheless, the military persisted in their arguments for including POL facilities. March and April brought a barrage of JCS memoranda describing the necessity of escalation in urgent terms and increasingly emphasizing POL over other war-related installations.[39] In March the military's staunch advocacy of escalation was bolstered by a surprising CIA reversal and recommendation. Breaching the boundary between intelligence analysis and policy opinion, the CIA expressed a preference for an expanded bombing program. Citing failure of the existing campaign to achieve measurable results, the CIA recommended that the restraints be lifted and that the focus of the program be shifted from interdiction to war-supporting facilities, principally POL.[40]

Faced with a six-month effort on the part of the military to secure release of additional targets—proposals that were endorsed by an agency previously pessimistic of the advantages—civilian policy-makers embarked on a formal review of the issue. The reaction was mixed. There were general arguments against the escalation: POL strikes in North Vietnam might trigger tit-for-tat reprisals against POL storehouses near Saigon; the strikes might be the first step in provoking a confrontation with China; since the targets were located near relatively populated areas, the strikes might incur worldwide criticism and discredit the Administration's assertion that the U.S. was seeking peace in Vietnam.[41] None of these arguments, however, crystallized in specific military alternatives to either CINCPAC-JCS views or to the existing ROLLING THUNDER campaign. Instead, the thinking of individuals within the civilian agencies and the White House appears to have been limited to these two options. The one exception was George Ball. Once again, the Undersecretary argued for disengagements and warned that the U.S. was being drawn into an irreversible course of action. In a gloomy conclusion to an April memo he wrote:

> Let us face the fact that there are no really attractive options open to us. To continue to fight is, in my judgment, both dangerous and futile. It can lead only to increasing commitments, heavier losses, and mounting risks of dangerous escalation.[42]

As was the case previously, other civilian opinions ranged from Ball's "cut-our-losses-and-pull-out" recommendation to support for the Chiefs. Though Secretary of State Rusk's position is unknown, there are indications that within the State Department there was resistance to the POL program, specifically to breaking the "sanctuary" status of Hanoi and Haiphong. Fear of provoking China or the Soviet Union was reason for some; others, believing that the bombing incurred political penalties in the United States, thought this the last threshold beyond which the penalties would not be worth the military results.[43] Leonard Unger from State proposed a continuation of the existing program but urged a compromise settlement. John McNaughton shared Unger's preference.[44] George Carver of the CIA also favored a continuation but without a move toward negotiations. In March Secretary McNamara had endorsed a JCS recommendation for striking POL facilities, treating the proposed strikes as a logical extension of the interdiction program.[45] Thus, although he did not participate in the April policy review, he had already established his position and was known to favor escalation. Walt Rostow, who had replaced McGeorge Bundy as National Security Advisor, had advocated attacking POL, which he had long felt was *the* key target in any war. Maxwell Taylor, now Military Advisor to the President, and the new Ambassador to Saigon, Henry Cabot Lodge, sided with the military recommendation.[46]

For a President seeking advice and policy recommendations from his staff and Cabinet officials, the effect of this phalanx of opinions must have been depressing. Lyndon Johnson relied on consensus as a means of resolving policy problems. The weight of opinion pointed clearly in one direction. It was not a matter of numbers; it was a matter of the absence of dissent and real alternatives. Only one individual in the Administration actively opposed continuation of the bombing program as a whole; the military had been pressing their arguments for six months; they had been rejected twice; incrementalism was the core concept of the ROLLING THUNDER campaign; the existing level of bombing was failing; the civilian-sponsored pause had also failed in achieving its goals. Lacking an alternative, given the failure of the current campaign to achieve the desired results, the military were able to push policy along, capitalizing on their promises

[38] *Pentagon Papers*, Volume IV, p. 67.
[39] *Pentagon Papers*, Volume IV, pp. 70–71, 75–76.
[40] *Pentagon Papers*, Volume IV, pp. 71–74.
[41] *Pentagon Papers*, Volume IV, pp. 71–74.
[42] *Pentagon Papers*, Volume IV, pp. 80–81.
[43] *Pentagon Papers*, Volume IV, p. 84.
[44] *Pentagon Papers*, Volume IV, p. 80.
[45] *Pentagon Papers*, Volume IV, p. 80.
[46] *Pentagon Papers*, Volume IV, pp. 95–100.

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and the hope of almost everyone that "just a little more" would make the difference. In May Johnson released the POL targets outside Hanoi and Haiphong. Strikes were carried out in July.

By the end of July, seventy percent of North Vietnam's large bulk storage capacity had been destroyed. Yet it soon became evident that despite this level of destruction the North Vietnamese were able to meet their POL requirements and more by imports and dispersal, making the supplies increasingly invulnerable and making operations more costly to the U.S. In fact, the North Vietnamese had anticipated the possibility of strikes against their POL facilities and as early as the summer of 1965 had begun taking precautionary measures—importing more POL and building additional, small underground tank storage sites. Their actions prior to the decision to release POL targets minimized the impact of American air strikes. Moreover, after the American escalation, the Hanoi Government was able to use the bombing as leverage in extracting additional aid from China and the Soviet Union. This, too, limited the effect of the strikes, and supplies to the insurgents in the South continued unabated.[47]

C. A Lull Between Phases

By August the failure of the POL strategy was widely accepted within the Administration. Perhaps the single most influential negative appraisal of the bombing came in the summer of 1966. This was the rigorous analysis done by the JASON Division of the Institute of Defense Analysis. The project involved some forty-seven scientists, most working outside the government, and twenty DIA experts. The purpose of the study was not simply, or even primarily to evaluate the bombing, but to consider the technical feasibility of the construction of an anti-infiltration barrier along the Demilitarized Zone in South Vietnam as an alternative means of stemming the flow of supplies to the South. Secretary of Defense McNamara hoped that the establishment of such a barrier would eliminate one major rationale for the bombing.

Completed by the end of the summer, the study included four reports, the first of which was entitled "The Effects of U.S. Bombing in North Vietnam." The summary and conclusions began by dismissing the most important argument of those proponents of the bombing who had to confront its apparent failure thus far:

> Although the political constraints seem clearly to have reduced the effectiveness of the bombing program, its limited effect on Hanoi's ability to provide such support cannot be explained solely on that basis. The countermeasures introduced by Hanoi effectively reduced the impact of U.S. bombing. More fundamentally, however, North Vietnam has basically a subsistence agriculture economy that presents a difficult and unrewarding target system.[48]

Proceeding through each of the rationales for the bombing, the analysis enumerated the failures in orderly, sequential fashion:

> Since the initiation of the ROLLING THUNDER program the damage to facilities and equipment in North Vietnam has been more than offset by the increased flow of military and economic aid, largely from the USSR and Communist China. . . . the ROLLING THUNDER program clearly tended to overestimate the persuasive and disruptive effects of the U.S. air strikes and, correspondingly, to underestimate the tenacity and recuperative capabilities of the North Vietnamese.
>
> While conceptually it is reasonable to assume that some limit may be imposed on the scale of military activity that Hanoi can maintain in the South by continuing the ROLLING THUNDER program at the present, or some higher level of effort, there appears to be no basis for defining that limit in concrete terms, or for concluding that the present scale of VC/NVN activities in the field have approached that limit.
>
> The available evidence clearly indicates that Hanoi has been infiltrating military forces and supplies into South Vietnam at an accelerated rate during the current year. Intelligence estimates have concluded that North Vietnam is capable of substantially increasing its support.
>
> The indirect effects of the bombing on the will of the North Vietnamese to continue fighting and on their leaders' appraisal of the prospective gains and costs of maintaining the present policy have not shown themselves in any tangible way. Furthermore, we have not discovered any basis for concluding that the indirect punitive effects of bombing will prove decisive in these respects.[49]

The report had its greatest impact on Secretary McNamara, who because of it and the disappointing results of the POL bombing, began to question the entire American war effort. After a trip to Vietnam in October, 1966 McNamara wrote the memorandum quoted at the outset, recommending stabilization of the ROLLING THUNDER campaign and a serious attempt to begin negotiations. As an alternative to the escalation of the bombing, McNamara proposed installation of a barrier across the DMZ and Laos.[50]

The response from the military was immediate.

[47] *Pentagon Papers*, Volume IV, pp. 109–110.

[48] *Pentagon Papers*, Volume IV, p. 116.

[49] *Pentagon Papers*, Volume IV, pp. 116–119.

[50] *Pentagon Papers*, Volume IV, pp. 124–126.

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In a memo to the President, the JCS sharply rejected the barrier proposal.[51] They termed the possibility of any future overtures for peace negotiations "counterproductive" and rebutted McNamara's option with another recommendation for a "sharp knock" on Hanoi and Haiphong war-supporting facilities—this to replace the existing campaign of slowly escalating pressure.[52] A week later CINCPAC requested additional air squadrons and an increase in sortie levels for the coming year. Both requests were supported by the JCS. When the Systems Analysis office of OSD offered further evidence in favor of the barrier and against a continuing and/or escalated bombing program, the Chiefs reiterated their requests and objected to the diversion of resources that the barrier would cause.[53]

In spite of the near frenzied effort on the part of the Chiefs to secure more targets, the President decided to adopt McNamara's recommendation for stabilization. The Chiefs had succeeded in heading off approval for the barrier proposal, thereby preventing implementation of an alternative to the entire bombing program. By maintaining bombing as the sole operation for limiting the infiltration of supplies to the South, CINCPAC and the Chiefs could expect to exercise more control over the direction of the bombing operations than they might have if the barrier proposal had been implemented.

D. Phase III: Production Facilities

Unlike the previous two phases of the bombing that were characterized by single decisions authorizing a series of strikes on an entire category of new targets, the next phase was distinguished by a number of decisions authorizing strikes on selected sites. The decisions were taken between February and May, and each time the President specified the particular war-producing facilities to be struck. As with previous decisions, the number of targets released by the President were fewer than those proposed by the Chiefs.

McNamara's open conclusion that the bombing had failed was indicative of the increasingly negative opinion on the bombing that was developing both within and outside the Administration. By January, 1967, OSD formed a solid block against escalation with John McNaughton of ISA McNamara's principal ally. In Congress William Fulbright, Chairman of the Senate Foreign Relations Committee, had become the vocal and articulate spokesman of the small but visible group of "doves," nearly all of whom were members of the President's own party. The public and the press were also questioning and challenging the Administration's pursuit of a seemingly purposeless bombing program.

Yet CINCPAC pressed on with his requests for a wider range of targets, including seven power plants, ten war-supporting industries, principally iron and steel plants, and twenty-eight targets in Haiphong and the other ports, and emphasized that civilian-imposed restraints were responsible for the ineffectiveness of ROLLING THUNDER.[54] The failure of diplomatic initiatives during the Tet holiday pause only added momentum to the military's constant prodding, and in February CINCPAC added to his previous requests another which called for aerial mining to close North Vietnam's ports. He argued that such actions would result in "a drastic reduction of external support to the enemy" and "would be a major influence in achieving our objectives." [55]

The President decided to release power plants and steel plants in February, although those in Hanoi and Haiphong remained off limits. Following a high-level conference in Guam in March, the two Haiphong thermal power plant targets were released. In May a thermal plant located one mile north of the center of Hanoi was approved for bombing.[56] Despite the fact that no major fixed targets remained to be struck except for the port areas, the Chiefs could report no real progress.

In deciding to release these targets, the President was constrained by the fact that no other new targets remained. In the context of the weekly review sessions this meant that previous restraints on these so-called "high-value" targets had to be relaxed if ROLLING THUNDER were to follow the progressive escalation inherent in its definition as a strategy. The strikes were not made with a new strategic concept in mind; instead they evolved from the ongoing process of civilian review of proposed military target lists. Given that ROLLING THUNDER continued but was failing to achieve its objectives, the next level of escalation offered the best hope for success.

Between May and June the Administration engaged in a frantic and heated debate over the issue of de-escalation. Launched by McNamara's recommendation that bombing be restricted to lines of communication south of the 20th parallel in conjunction with an integrated program of ground and air retrenchment, the policy review resulted in drawing sharp lines of disagreement among Administration personnel. The military, including CINCPAC, COMUSMACV and the JCS opposed

[51] *Pentagon Papers*, Volume IV, p. 123.
[52] *Pentagon Papers*, Volume IV, pp. 128–129.
[53] *Pentagon Papers*, Volume IV, pp. 132–133.
[54] *Pentagon Papers*, Volume IV, pp. 138–139.
[55] *Pentagon Papers*, Volume IV, p. 144.
[56] *Pentagon Papers*, Volume IV, p. 153.

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the proposal while the CIA, and the principal civilian advisors (with the exception of Walt Rostow) all believed that a cutback would significantly alter the North's rate of infiltration.[57] The debate was resolved, once again, in favor of continuing the existing program with no major escalation.

E. Phase IV: Politically Sensitive Sites

The decision to maintain the existing program occurred in July. In August the President suddenly released six targets within the Hanoi inner radius, marking the final escalation of the air war during the 1965–1968 period. Clearly this was a reversal of the President's most recent action. Although several targets within the Hanoi-Haiphong area had been released in May, the decision to virtually lift the tacit restrictions in Hanoi's inner radius represented a major departure from the more limited target decisions during the preceding months. What accounts for the President's concession to the military's requests after he had for so long refused to release a block of targets in the inner circles of Hanoi and Haiphong?

Johnson's position at this time was a difficult one. His civilian advisors were predominantly against the bombing; his military staff were vehemently in favor; the public was divided. In this confused scenario, Congress, in particular the "hawkish" members of the Senate Armed Services Committee, proved to be the pivotal element.

Although outspoken and at times embarrassing, the anti-war contingent in Congress was still manageable. It could be isolated by the Administration with appeals for unity and support in the time of crisis. Eventually those in Congress who sought to de-escalate the war did present a problem for the President, especially after the Tet offensive in 1968, but until then the most significant Congressional pressure came from the advocates of a more aggressive policy. Their influence was most apparent during the Senate Hearings before the Preparedness Investigating Subcommittee of the Committee on the Armed Services in August, 1967. It was both in anticipation and as a result of these hearings that President Johnson agreed to the release of additional targets.

The military's repeated allegations that civilian-imposed restraints had been responsible for the failure of the bombing found support in Congress and in certain segments of the media. This had been true throughout the three-year period, but in 1967 the threat of a defection of the military, supported by a group of Senators and Congressmen, became more serious. At this time the leverage of the military, always considerable during wartime, had even greater influence.

The Senate Subcommittee membership consisted of Senators Symington, Jackson, Cannon, Byrd, Smith, Thurmond and Miller, along with its Chairman, Senator Stennis. Without exception, though with varying degrees of enthusiasm, the members were sympathetic to the military's charges of civilian interference, and believed the bombing should have been escalated in accordance with JCS and CINCPAC requests. There was acknowledged and prior communication between the Subcommittee staff and members of the senior military in preparation for the hearings. The Chiefs had made clear in advance what they wanted changed and to what extent civilian decisions had hampered operations. The record of testimony runs some 515 pages and documents the military's case for expansion of the air war and Secretary McNamara's defense of civilian-imposed restrictions on its conduct. The committee concluded in its report that:

> (For) policy reasons, we have employed military aviation in a carefully controlled, restricted, and graduated buildup of bombing pressure which discounted the professional judgment of our best military experts and substituted civilian judgment in the details of target selection and the timing of strikes. We shackled the true potential of air power. . . .
>
> It is high time, we believe, to allow the military voice to be heard in connection with the tactical details of military operations.[58]

The impact of the hearings was felt throughout the fall of 1967 as more and more targets that had been unauthorized for more than two years were released. President Johnson believed himself vulnerable and acted accordingly. By the end of October he had released all but five of fifty-seven targets that the Chiefs had requested in August. Some, like the Port of Cam Phu, were targets McNamara had explicitly testified should not be struck. In December ten new targets were released from an additional twenty-four target list which the Chiefs prepared. With these decisions and acceptance of the report of the Subcommittee, the President pitted himself against a majority of his civilian advisors and Secretary McNamara in particular, who had openly challenged the military during the Senate Hearings. For McNamara, there was little reason to continue in the Administration and in November he decided to leave.

During the course of 1967 a second JASON study

[57] *Pentagon Papers*, Volume IV, pp. 170–188. Note: Secretary Rusk's position at this time is unknown; William Bundy did not respond to the question as posed; Nicholas Katzenbach, also of State, agreed with the general proposition of concentrating on infiltration routes. *Pentagon Papers*, Volume IV, p. 183.

[58] Quoted in *Pentagon Papers*, Volume IV, p. 204.

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had been under way. It was completed in December, and once again the study group concluded that the air war had failed to achieve its objectives. It said, in part:

> As of October 1967, the *U.S. bombing of North Vietnam has had no measurable effect on Hanoi's ability to mount and support military operations in the South.*
>
> *The bombing campaign against NVN has not discernibly weakened the determination of the North Vietnamese leaders to continue to direct and support the insurgency in the South* [emphasis in the original].
>
> There was no indication that bombing could ever constitute a permanent support for South Vietnamese morale if the situation in the South itself was adverse.[59]

Thus, on the basis of the three rationales for continuing the bombing—as an anti-infiltration measure, as a pressure tactic on the North, and as a support for the regime in the South—the JASON study termed the bombing a failure.

The most telling evidence for this conclusion, however, came in February, 1968, when the NLF launched the massive Tet offensive. It was only then that a comprehensive re-examination of American policy in Vietnam occurred. Tet made clear that despite the 864,000 tons of bombs which the United States had dropped in the North, the North Vietnamese had lost none of their determination or military capacity. This realization coupled with mounting domestic and international opposition to the bombing led to the President's decision for a halt in conjunction with his major move toward negotiations. Although some interdiction bombing continued along with sporadic attacks on targets in the North, 1968 marked the end of the United States' sustained bombing program against North Vietnam.

II. ANALYSIS: IMPACT OF ORGANIZATIONAL ARRANGEMENTS ON U.S. DECISIONS AND ACTIONS

The slow squeeze bombing program resulted from a process that fostered compromise rather than dissent. Uncertain and conflicting civilian opinions were gradually overtaken by firm and consistent military demands. Ready contingency plans and established target lists served as talking points for discussion and limited the scope of policy debate. Although the final decision on targets rested with McNamara and Johnson, the target recommendations came from the military. The President and the Secretary made their choices within parameters defined by the JCS. The repeated failure of the bombing to achieve its intended results actually served as justification for continuation and escalation. The Chiefs could argue, and did, that the shortcomings derived from existing limitations and that an expanded effort would achieve the desired objectives. Thus, what began as civilian restraint evolved into accommodation to military preference. The position of the military was further strengthened by Congressional pressures which challenged civilian-imposed constraints on the basis of military prerogatives and on the assumption that bombing minimized American casualties. With both the Chiefs and Congress in favor of bombing, it is difficult to imagine the President following any more restrictive course of bombing than the one he did.

A. Service Interests: Air Force and Navy

For the two services responsible for bombing, the American involvement in the air war was both a test of their respective missions and an opportunity to prove the effectiveness of each service's operations. At the beginning of the air campaign, problems of coordination and rivalry between the Air Force and Navy led to confusion over target responsibility and resulted in the division of North Vietnam into seven route packages (see Figure 3, p. 409). When the bombing eventually expanded into the northeast quadrants of 6A and 6B, which included what were considered to be the most valuable targets, both services bombed these two areas simultaneously. The other route packages were assigned separately to the two services.

For the Air Force, bombing constituted its institutional identity, its claim to autonomy, its "essence." Air Force recognition as an independent service following World War II derived from a prolonged campaign on the part of air advocates to convince political leaders of the importance of air power and the necessity of investing in it. Thus, in arguing that bombing would "work" in Vietnam before it was begun, maintaining that it was effective after it started, and protesting that it could not produce victory unless it was conducted with more vigor after it appeared to fail, the Air Force, like no other advocate, was fighting for the credibility of its organizational identity.

Equally important to Air Force perception was the fact that the record on the effectiveness of conventional air power had not been conclusive either in World War II or in the Korean War and so it was again at stake in Vietnam. From 1945 to the beginning of the war in Vietnam, the Air Force had been preoccupied with nuclear doctrine and nuclear operations. This meant that the lessons of conventional bombing in World War II and Korea had for the most part gone unexplored, even unnoticed,

[59] *Pentagon Papers*, Volume IV, pp. 223–224.

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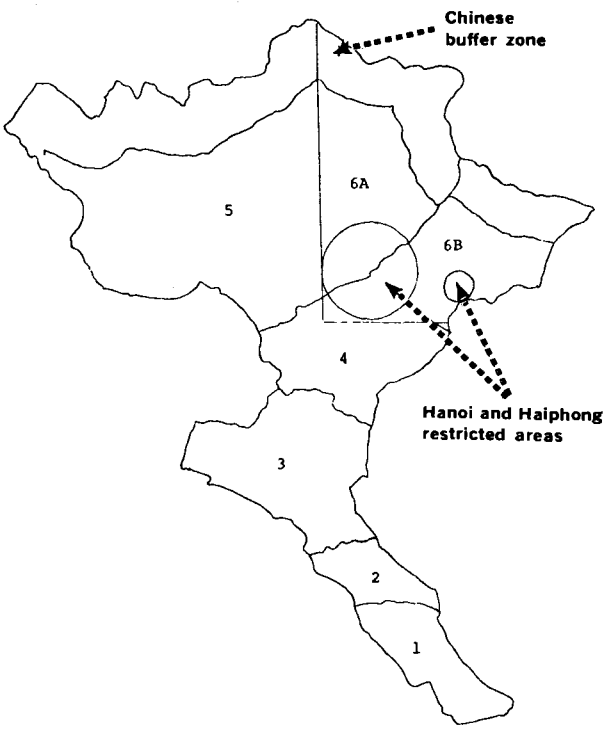
and whatever modification might have resulted from a careful review of earlier operations did not. Thus, the objectives of the bombing in Vietnam were roughly the same as those conceived by air power proponents in the 1930's and pursued by air strategists in the 1940's and 1950's: the destruction of the enemy's war-making capability and the infliction of sufficient damage in the enemy homeland to weaken the morale of the population and the leadership thereby forcing the termination of hostile activity.

In comparing the Air Force's perception of its role in the North vs. that in the South, one must appreciate the inherently greater interest which operations in the North afforded. The close air support which the Air Force carried out in the South was not an independent operation. During the early history of the Air Force, the Army and Air Force had competed for the close support mission. Although the Air Force succeeded in acquiring it as part of its repertoire, close support was always dependent on ground operations. Thus, Air Force operations in South Vietnam were defined by and had to be co-ordinated with Army actions. This meant that the Air Force was constrained by Army maneuvers. Traditionally, close air support had been regarded as the less professional element in Air Force operations, subordinate to the long-range interdiction mission; indeed, until 1960 the only weapons with which the Tactical Air Command practiced were nuclear weapons. But once over North Vietnam, the air war was the Air Force's own, to be managed and carried out by them alone.

FIGURE 3.—NORTH VIETNAM ROUTE PACKAGES



Out of the web of tradition, service concept, and need to justify its mission came repeated Air Force recommendations to bomb North Vietnam. For the service bombing had a purpose quite apart from its impact on the enemy.

The Navy was driven by similar, if less intense, incentives. Navy participation in the bombing against the North provided a test of one of the service's major missions—sea-based air power. The carrier Navy is one of four major Navy divisions, each of which has engaged in fierce competition over the future direction of the service and over budgetary allocations. (The other three groups are the surface Navy, the attack submarine Navy, and the Polaris Navy.) The internal struggle has focused on which kind of force could best carry out the role of dominating the seas. In recent years the post-war dominance of the carrier Navy had been seriously challenged by the emergence of a submarine missile-launching capability (POLARIS). Vietnam provided an opportunity for the carrier division to demonstrate its effectiveness and utility in conventional operations. For many years the Navy had wanted to demonstrate that its air operations should not be limited to the protection of sea lanes as the Air Force had argued. The bombing of North Vietnam was an opportunity for the Navy to extend its mission.

With the Air Force and Navy performing the same combat function and using similar methods of operations, it is not surprising that competition developed between them as each tried to display its capabilities. If the Air Force had restricted itself to close air support in the South, the Navy might have monopolized operations in the North. Given the Air Force's *raison d'être* it could not allow this. Therefore, it had to stake out its legitimate claim to operations in the North and more than that, prove that the Air Force could do it better than the Navy.

B. Performance Criteria

Both the conduct of air operations and the rivalry between the Air Force and Navy were influenced by the performance criteria which Systems Analysis applied to the bombing campaign. The process began prior to the Vietnam engagement when Systems Analysis had established expected flying capabilities or sortie rates for the various aircraft. At that time the services attempted to hold down the expectations of United States aircraft capability as much as possible, since the lower the estimated sortie rate relative to the enemy's, the more aircraft would be justified in budget requests.

Once the air war began, these established sortie

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rates were no longer important simply for planning purposes but were perceived by the services as output measures which their individual interests required them to meet. This was true for several reasons. If, for example, the Navy had argued for an expected rate for the F-4 aircraft of .95 sorties per day and Systems Analysis had estimated 1.35 sorties per day, then once in combat the Navy felt real pressure to fly at the rate of at least .95 sorties lest Systems Analysis reduce the number of planes it would continue to supply to the Navy, claiming that fewer planes were capable of the same total number of sorties.[60] Even monthly supplies of fuel and ammunition depended upon maintenance of the sortie rate. Ultimately, the most serious concern of each service was that flying and bombing less than expected would damage its position in long-range planning of roles and missions.

It is here that inter-service competition intensified pressure, since comparisons between the efficiency and effectiveness of Navy, sea-based F-4 aircraft and Air Force land-based F-4 aircraft were inevitable. The shape of future tactical air capability was at issue—or so the Navy and the Air Force perceived it. Even in the face of munitions shortages the services continued to fly the same number of planes in order to maintain sortie rates. The fact that flying with half-loads reduced effectiveness was not a concern. Referring to a period in 1966 an Air Force Colonel said: "Our planes were flying with one-half a load, but bombs or no bombs, you've got to have more Air Force over the target than Navy." [61]

Perhaps the most searing comment on the overall effects of interservice competition on the bombing was made by General David M. Shoup, former commandant of the U.S. Marine Corps:

> So by early 1965 the Navy carrier people and the Air Force initiated a contest of comparative strikes, sorties, tonnages dropped, "Killed by Air" claims, and target grabbing which continued up to the 1968 bombing pause. Much of the reporting on air action had consisted of misleading data or propaganda to serve Air Force and Navy purposes. In fact, it became increasingly apparent that the U.S. bombing effort in both North and South Vietnam has been one of the most wasteful and expensive hoaxes ever to be put over on the American people. Tactical and close air support of ground operations is essential, but air power use in general has to a large degree been a contest for the operations planners, "fine experience" for young pilots, and opportunity for career officers.[62]

C. Personnel and Career Incentives

The structure and method by which individuals at every level within the services were evaluated affected the nature of the bombing. More importantly, the perception of Air Force and Navy pilots and officers regarding the criteria by which their performance was measured affected their conduct in the war.

Each Air Force pilot was expected to complete a given number of missions within his year's term of duty in Vietnam. However, the year was calculated not in months but in number of missions completed. For pilots eager to complete their combat duty and to return to a home base there was an incentive to carry out the designated number of missions in less than a year. With pilots maximizing the number of missions flown within minimum time periods the total number of sorties flown over a given period would be greater than planned or formally authorized in Washington. Because timing of sorties was left to the field commanders the situation did not constitute abuse of authority. It did, however, affect the level of bombing as well as the judgments of Systems Analysis on the effectiveness of the bombing, given Systems Analysis' criteria of evaluation. Combat duty was, of course, essential for promotion to the next rank. A pilot's skill in combat was measured by the number of missions completed successfully. Thus, pilots had an additional incentive to maximize the number of missions they flew. In order to demonstrate his competence and thereby be promoted to the next rank, a pilot would be eager to fly more rather than fewer missions.

A pilot interested in advancement would further choose or prefer to fly missions in the North rather than the South, since the reward system gave more weight to "out-country" missions than "in-country" missions. The Air Medal, for example, was and is awarded on a point system. Under the system designated for active combat in Vietnam, more points were assigned to completing a successful mission in the North than in the South. This meant that more pilots would opt for northern missions. With more pilots wanting to fly, there could be once again, more sorties.

The criteria for promotion also impacted on the quality of reporting about individual missions. Once assigned to a northern mission a pilot had incentives to exaggerate the damage he had inflicted. Although bomb damage was "verified" by individuals who served that specific purpose by flying over target areas soon after they had been struck, pilots themselves were also debriefed following a flight. Their reports were sent on to Air

[60]The discussion of Systems Analysis' evaluation procedure depends heavily upon interviews with those involved in the evaluation process.

[61]Interview.

[62]David M. Shoup, "The New American Militarism," *The Atlantic Monthly* (April 1969), p. 55. Quoted in *Air War in Indochina*, p. 29.

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Force headquarters for review. Those familiar with promotion procedures have indicated that "Bomb Damage Assessments," as these reports were called, were probably not crucial to an individual's promotion, although the pilots themselves believed that the BDA's were. In this case the fiction was more important than the fact. Since pilots believed that BDA's were important to the promotion process, the individual pilot bent on gaining officer rank would be inclined to overestimate the damage he had inflicted on the enemy. At least one officer has publicly acknowledged this tendency among pilots. During his own hearings before the Senate Armed Services Committee, General Lavelle responded to a statement on this matter from a member of the Committee:

> Senator Cannon: As a pilot you know that pilots always like to claim as many hits or as many kills or as much activity as they can. . . .
>
> General Lavelle: I am sure you are correct.[63]

The inclinations of well-meaning but eager pilots served to distort reporting on the effectiveness of the bombing. Reports coming into Washington were more optimistic than was perhaps justified and thereby served to mislead both military and civilian advisors on the absolute damage that was achieved.[64]

Individuals at higher ranks who had already decided to make military service their profession had even stronger career incentives which might have affected their priorities and in turn those of the men who served under them. For the Squadron Commander looking ahead to the next rank, Wing Commander, it was essential that his men "do well" as defined by Air Force criteria and thereby bring credit and ultimately promotion to him. Doing well meant flying a substantial number of missions over the North and inflicting sufficient damage on target sites. The Wing Commander was at an even more critical point in his career, since his next promotion would be to the level of General—always a highly selective and difficult jump. It was not unreasonable for Wing Commanders to expect to be scrutinized on a day-to-day basis. For both Wing Commanders and Squadron Commanders, encouraging their men to pursue northern missions and beyond that to err on the side of reporting a "hit" rather than a "miss" in their assessments was all to their advantage.

The Commander of the 7th Air Force during the Vietnam War had equally intense, if different, incentives. The position itself had only recently been designated as a four-star position and thus the first individuals appointed to the post were under some pressure to establish its influence within the chain of command—to preserve the credibility of their own positions if nothing else. Since he was required to report to two chains of command, the Commander of the 7th Air Force was in a difficult position. In the JCS chain, the Commander reported to COMUSMACV. Given COMUSMACV's Army allegiance, he was inclined to favor more emphasis on air support for ground operations in the South, rather than interdiction bombing. Indeed, many Army men had concluded early on that interdiction bombing made no visible difference to the war in the South and was thus essentially a waste. In the Air Force chain, the Commander reported to CINCPAC-AF (the Air Force Pacific Commander) whose disposition was very different. With his allegiance to the Air Force, CINCPAC-AF was eager to demonstrate the Air Force's effectiveness in competition with the Navy. Thus the Commander of the 7th Air Force felt pressure from above to emphasize the war in the North. His own reputation depended on the judgments of his superiors within his service. However, since the Joint Chiefs would also be evaluating his performance via the reports of COMUSMACV, who possessed real authority for the conduct of the war, the Commander of the 7th Air Force also had to heed the preferences of COMUSMACV.

As was the case with the Air Force, the Navy's reward structure contributed to the pursuit of an expanded bombing program. For example, the squadron commander on an aircraft carrier would be considered for promotion on the basis of a fitness report that showed, among other things, the performance of his squadron in terms of sorties flown. He would thus have a stake in sortie allotment, and he would be sure that when there was a bridge to be destroyed at least some of the A-4's assigned would be from his squadron. Below him there would be a pilot as yet without command responsibility, but nevertheless with a career and a fitness report of his own. If he was seeking advancement, he would want to win points toward as many air medals as he could collect during his tour; he would receive one point for each mission flown—two if it were a combat sortie.

D. JCS as an Advisory Group

The structure and procedure for military advice to the President and for proposals about military action resulted in unanimous JCS recommendations first for bombing North Vietnam and subsequently for repeated escalation as existing levels failed to achieve their objectives. As we have seen, CINCPAC initiated most of the requests for escala-

[63]U.S., Congress, Senate, Armed Services Committee, *Hearings*, 92nd Congress, Volume 8, 1971–2, September 11, 1972, p. 20.

[64]The issue of the relationship between damage inflicted and impact on the capacity of North Vietnam to carry on the war is discussed in Chapter 4 of Part VI.

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tion. Under the established pattern of decision-making within the military hierarchy the Chiefs deferred to the opinions of the theater commander, in this case CINCPAC. His opinion became theirs without any individual dissent. The unwritten code of the Chiefs required that each service's proposal be supported by the other two, allowing unified military advice without exception. This meant that the President consistently received a single opinion from the Chiefs who served as his military advisors. Furthermore, the Chiefs adhered to that opinion out of their tacit commitment to each other's prerogatives.

The experience of bombing North Vietnam gives ample evidence of this process at work. With CINCPAC the primary advocate of escalation, the JCS repeatedly adopted and advocated his recommendations in memoranda to the President. As early as 1964 they had worked out contingency plans for the North; in 1965 they pressed for bombing LOC's; for nine months they clung to their recommendations for bombing POL's; for six months they pressed for hitting high-value targets in Hanoi and Haiphong. At each stage theirs was the only unshakable and uncompromising policy proposal. As this process continued during the bombing of the North, the Chiefs were eventually granted every major target on their list.

Whatever their preferences, the Chiefs were not oblivious to the international political constraints on the bombing. They, like the civilians, appreciated the inherent restrictions of a limited war. They recognized that one of the major premises of the ROLLING THUNDER program was that it not involve the Soviet Union and China. In presenting each of their recommendations to the President they undoubtedly understood that whatever their request, it would be reduced during the review process both because of the nature of the process itself and because of the fear of provoking China and the U.S.S.R. The Chiefs' recommendations therefore anticipated the reduction and were formulated accordingly.

The structure for military advice only partially explains the scenario out of which the bombing decisions emerged. From the earliest stages of the bombing, Johnson's civilian advisors were deeply divided on both the purpose and the dimensions of the bombing. At each point of decision the civilian advisory group expressed a wide range of opinions revealing individual expectations and objectives. At no time did a group of civilians present a substantive alternative to counter the JCS proposals. McNamara's barrier proposal and Ball's repeated recommendations for withdrawal, since they lacked broad support, were merely straws in the wind. With Johnson's emphasis on a consensus resolution and with civilians so divided, the point of departure for any given decision was established by the military. The most the civilians could accomplish was to whittle down the military's requests—until the next time the JCS advanced their recommendations.

Another factor determining the apparent dominance of the Chiefs' position in deliberations on the bombing was the traditional deference generally accorded the military during periods of a hot war. Whether or not Johnson was inclined to accept the Chiefs' position he was under pressure to do so from the Congress. The August, 1967 episode with the Senate Armed Services Committee gives evidence of the extent to which any President is vulnerable to charges of discounting military advice. The Armed Services Committees, traditionally the patrons of service interests and believers in the inherent prerogatives of the military, are even more inclined to protect the position of the services during wartime. Thus, the Chiefs' repeated assertions that civilian-imposed restrictions had impeded the effectiveness of the bombing drew a sympathetic and vehement response from the members of the Committee, thereby encouraging the President to act.

E. Extra-Military Support for the Bombing

Beyond the obvious and expected support for the bombing among the military, the bombing had equally powerful constituencies in Congress and the public, whose influence was brought to bear on the Presidency. First, there was a widespread belief both in and out of the Administration that if the U.S. was fighting a ground war and losing men it should employ whatever resources it had to punish the enemy. The specific resource was, of course, air power and with it went the assumption that bombing creates suffering—physical, economic, and emotional.

Robert McNamara acknowledged this pervading expectation in a footnote to his October, 1966 Draft Memorandum in which he first expressed his conclusion that the bombing had failed. Although the entire memorandum was devoted to an analysis of the ineffectiveness of both the ground strategy and the air war and an accompanying recommendation for stabilization and a negotiated settlement, McNamara obviously felt compelled to point out the breadth of support which the bombing commanded. He said:

> Any limitation on the bombing of North Vietnam will cause psychological problems among the men who are risking their lives to help achieve our political objectives; among their commanders up to and including the JCS; *and among those*

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of our people who cannot understand why we should withhold punishment from the enemy. [emphasis added] [65]

Particularly as the war continued the Administration perceived this "punishment" factor as important to maintaining both public and Congressional support for their policies.

Administration officials made a further connection between the introduction of ground troops and the continuation of the bombing. Johnson, McNamara, McNaughton, and others all believed that bombing the North was a means of justifying American casualties on the ground. It was essential because it provided demonstrable support for the troops in the South and could be seen as an effort to minimize casualties. Congressional concern over this issue was evident early in 1967 during hearings before the Senate Appropriations Committee:

Senator Thurmond: . . . We have been doing only a limited amount of bombing, but the limited bombing we have done has been helpful, hasn't it?

Admiral McDonald: I think it has saved hundreds of lives of U.S. soldiers and U.S. marines.

Senator Thurmond: If we were to discontinue that bombing, that means, in your judgment, I presume, it would mean that there would be more American lives destroyed as the war goes on?

Admiral McDonald: That is correct.[66]

With members of Congress believing that the bombing was saving American lives, the Administration was under considerable pressure to maintain the bombing—whatever its military rationale in applying pressure to the enemy. Its so-called "pain value" and the support function it was perceived to have for American troops were justifications in themselves. Whether or not these assumptions were valid, they existed and they took on a symbolic life of their own. For Johnson to have halted or severely restricted the bombing in 1966 or 1967 meant that he would have had to face the charge that he was sacrificing American lives in doing so. Congressional opinion and the accompanying political heat on the President throughout the three-year period contributed to the successive bombing decisions.

F. The Nature of the Targets

The slow squeeze policy that was adopted had an inherent expansionary dynamic to it that would have been extremely difficult to choke off. In order to "break Hanoi's will," it was necessary to constantly increase the pressure applied in order to maintain the threat. The problem with this objective was that it—like the other rationales offered for the bombing—was extremely difficult to measure. From the start of the bombing campaign the participants agreed that a specific level of bombing would force the North Vietnamese into submission. Given this assumption, if Hanoi had absorbed X level of damage without breaking, it could be argued, and was, that X+1 would do the trick. If not X+1, then X+2, X+3, X+4, or whatever the level necessary. Until the basic, underlying premise of this line of reasoning was challenged, the military could argue that North Vietnam's continued resistance was attributable to civilian-imposed restrictions on the bombing, not to the inherent inadequacy of the bombing *per se*.

Yet, given the nature of the targets in North Vietnam, there was a low probability of achieving the stated objectives at any level of the bombing. North Vietnam was an agricultural country which functioned within a subsistence economy. It had little industry and a crude transportation system. It produced only limited quantities of military equipment for the war. Most of the country's war material was imported from the U.S.S.R. and China, thus those industrial installations that did exist were not essential to the conduct of the war. Likewise, the country's railway system was not the major source of transport for supplying combat forces. Interior dirt roads and small waterways served that purpose along with oxcarts and sampans. Such facilities were both durable and difficult to locate from the air. Finally, the quantity of supplies which North Vietnamese forces required from the North was minimal. As guerrillas, the army relied mostly on local support rather than huge stocks of food and equipment sent down from the North. All in all, North Vietnam did not provide a worthwhile target for air attack. The so-called "high value" targets were limited and by no means critical to the economy or to the prosecution of the war in the South.[67] This was particularly true given the fact that the NVA/VC forces were carrying out a strategy of prolonged conflict.

Yet American military officials assumed the bombing would achieve decisive results and convinced the civilians of that. The extravagance of the military's claims, civilian reluctance to challenge their opinions, and the continuing hope that a bit more pressure would turn the tide, perpetuated the ROLLING THUNDER program. Only after the Tet offensive gave stark evidence of the fragility of the American effort did Congressional and public opinion change enough to both force and allow

[65] *Pentagon Papers*, Volume IV, p. 127.

[66] Military Procurement Authorization for FY 1968, *Hearings*, p. 697.

[67] *Pentagon Papers*, Volume IV, pp. 56–57.

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Johnson to make a major shift in American policy.

In summary, the major factors highlighted by our analysis of the gradual expansion of the ROLLING THUNDER campaign in the face of steadily accumulating evidence that the bombing was not successful and that a campaign of that nature was unlikely to succeed include:

1. The existence of air power as a major instrument of U.S. military force, and of an independent organization, the Air Force (and an important sub-organization, the carrier air branch of the Navy), whose life depended on the use of that tool to achieve military objectives.

Therefore: *Air Force (and Navy) recommendations to bomb whatever the specific details of the situation on the ground or the relative attractiveness of a particular target system, wherever the U.S. is engaged in sustained military operations. For the same reasons Air Force (and Navy) recommendations to expand the bombing if it fails to achieve objectives at any particular level.*

2. Structure and procedures for military advice to the President and for recommendations about military action; deference to individual services in JCS recommendations; unified military advice; support for the commander in the field. So CINCPAC recommendations became JCS recommendations became unified military recommendations.

Therefore: *Unanimous JCS recommendations for use of this tool, namely bombing, and for more bombing whenever any existing level fails to achieve the objective.*

3. The network of agreement and support of the Air Force and bombing as a military instrument. The existence of the Air Force and its strength and influence both reflect and support the views of large numbers of people in the U.S. governmental process—Executive and Congress—and in the country about effectiveness of bombing as a tool. There is a widespread belief that if the U.S. is fighting, it should be punishing the enemy. See as evidence Thurmond's questions and McNamara's pregnant footnote cited above.

Therefore: *Enormous heat on any President and advisors who are tempted to fight without bombing. It is difficult to imagine the U.S. fighting any enemy on the ground without bombing him from the air.*

4. The facts of limited war. The necessity of attempting to achieve American objectives without widening the war—to include either the Chinese or the Soviets (the latter bringing the risk of nuclear war). From the outset the civilians feared and the military recognized, the danger that some level of bombing North Vietnam might bring in the Chinese or the Soviets. Everyone seems to have agreed that the U.S. could not bomb the major production facilities, since they were in China and the Soviet Union. Almost everyone seems agreed that some kinds of bombing of targets in North Vietnam would provoke the Chinese and the Soviets.

Therefore: *Resistance to unlimited bombing of North Vietnam; reluctant acceptance of bombing politically sensitive targets; gradual increases, in a seduction strategy, to probe Chinese and Soviet reactions.*

5. The poverty of the target system in North Vietnam. Unfortunately in a subsistence, agricultural economy like Vietnam which supplied the Viet Cong by bicycle and sampan as well as by truck and train, there simply were not critical junctures or critical facilities.

Therefore: *Low probabilities of achieving objectives at any particular level of bombing effort.*

6. The shift of influence to the military during times of war. No President could stand the heat of a JCS report to Congress that he was not fully prosecuting the war and doing everything possible to save American lives. See the Stennis hearings cited above.

Therefore: *Increasing acceptance of strong military recommendations, especially as the election approached.*

7. The detailed character of the bombing, for example, bombing with half-loads, the targets bombed and rebombed, the number of pounds of bombs dropped, etc., reflected: (a) incentives of personnel; (b) rewards and rating schemes; and (c) the competition between the Air Force and the Navy.

Therefore: *Expansionary pressure on the bombing, pushing each increase to the outer limits of its legitimate operational level and exaggerating its relative success.*

8. Procedures for decision-making by paper consensus. The initial authorization of ROLLING THUNDER was made on the basis of an agreed, unanimous, recommendation, but it covered a large number of different hopes and expectations. This consensus concealed, rather than revealed the likely pressures for next steps if the first step failed. A different process might have given LBJ and his key advisors a better idea of the likely pressures at the next major decision point, and at the point after that. For example, the Air Force would recommend "more," if any existing level did not work. The Chiefs would support the recommendation for more. McNamara would recommend more, but would be especially sensitive to the cost-benefit ratio of the bombing. Rostow would take any occasion at which a current level of bombing did not work to recommend bombing POL. Rusk would be a "good soldier," but various members of State would weigh the potential success of escalation

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against the international political costs. Ball would take evidence that any current level of bombing did not work as grounds for recommending stopping the bombing and negotiations.

Therefore: *Military pressure for expansion; fragmentation of civilian advice; near impossibility of objective evaluation or examination of the issue once this group mounted the tiger's back.*

III. EVALUATION OF U.S. GOVERNMENT PERFORMANCE

A. *A Reasoned Conception of U.S. Objectives Was Present:* poor.

The major objective of the United States in Vietnam was clearly stated in NSAM-288—to maintain a non-Communist government in Vietnam. An evaluation of the wisdom of that goal is beyond the scope of this study. Instead, we have defined "objectives" as the objectives which the bombing itself was meant to achieve.

The most glaring deficiency of American policy in this category was its failure to establish a consistent set of objectives against which the results of the bombing were strictly measured. The bombing began as a vaguely conceived means of convincing Hanoi of American resolve in fulfilling its commitment to South Vietnam. Within a few months it was perceived as a way of "breaking Hanoi's will" and bolstering the ARVN. Later it was an anti-infiltration measure. Bombing served an internal rationale as well. Throughout the war American policy-makers viewed the bombing as a means of justifying the presence of American troops in the South; bombing the North minimized GI casualties in the South. With this wide array of objectives, it is not surprising that no meaningful standard of evaluation developed. In essence the bombing was perceived as a method of coercion resulting in an open-ended commitment.

B. *The Best Obtainable Information Relevant to the Decision Was Made Available:* good.

American policy-makers had the benefit of both government and private information resources. The problem was not availability of information but its insertion into the policy process. Overall quite good, it was sometimes blurred by the more biased judgments of the DIA. Dominated by military personnel, their incentives were to report favorably on operations in Vietnam rather than to produce an independent judgment. For the most part the CIA appears to have done well in the most significant shortcoming of Vietnam—intelligence analysis—relating quantifiable results of physical damage to effects on the North Vietnamese war effort.

C. *The Implications Flowing From the Information Were Effectively Canvassed:* poor.

Although McNamara and others drew independent judgments from the information available, the process did not force active consideration of intelligence data in relation to existing policy. Ideally, both military and civilian advisors should have been regularly confronted with intelligence assessments and forced to answer.

D. *A Full Range of Alternatives Was Considered:* poor.

The process did not force consideration of competing points of view; it encouraged compromise. More accurately, it encouraged accommodation to the military's preferences. Throughout the war prior decisions biased immediate decisions. In 1964 the Special NSC Working Group presented three relatively similar options to the NSC, which in turn passed on a correspondingly narrow recommendation to the President. This became the pattern for subsequent decisions as well.

E. *A Full Range of Relevant Considerations Was Applied:* fair-to-poor.

Once the decision to bomb was taken, military and domestic-political considerations dominated the policy process. Johnson feared the domestic-political consequences of a settlement that might seem to have resulted from something other than military success and also felt threatened by lurking Congressional accusations that the war was not being prosecuted with enough vigor. Failure to gain support from any ally as well as disregard of international opinion indicate that diplomatic considerations did not figure into policy decisions.

F. *All Appropriate Participants Were Consulted:* poor.

The atmosphere which Johnson created in the White House was one that discouraged dissent. As such it isolated individuals who expressed views different from official policy. As the war progressed, the range of participants narrowed. Those who lost sympathy with the war policy also lost the confidence of the President and tended to move out of government. The closed climate of decision-making partially accounts for the President's failure to come to grips with the criticism of air power emerging from the intelligence community and elsewhere.

G. *The Decision Was Taken at the Lowest Level Possible:* fair-to-poor.

It seems that the poor quality of the bombing decisions was in part the result of the lack of upper-level civilian expertise in matters military and Asian.

H. *The Decision Was Clearly Communicated to Those Responsible:* good.

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There is no evidence of difficulty in relaying decisions from Washington to the field.

I. *The Actions of the Responsible Officials Were Monitored:* fair-to-poor.

Systems Analysis monitored the bombing but their criteria of evaluation created dysfunctional incentives for the services. Effectiveness was measured by numbers of sorties flown and tons of bombs dropped rather than by a more result-related criterion.

J. *The Results of the Decision Were Noted and Assessed:* poor.

Over a three-year period policy failed to respond to the obvious shortcomings of the bombing in achieving the desired results.

K. *The Resources Committed to the Action Were Commensurate With the Task:* good and poor.

Although some shortages did exist, overall the quantity and quality of resources available were exceptional. In terms of the results attained, the use of materials was excessive. To some extent policymakers felt compelled and able to expend material in place of men.

L. *The Decision Process Was as Public as Was Consistent With Its Nature:* fair.

The public was well aware of the course of the bombing, although it was not privy to the decisions themselves, except in the cases of the media's access to internal information—this was consistent with the nature of the decision. The Congress exercised less prerogative than it might have. The Senate Hearings in August, 1967 constituted one of the rare occasions that the legislative branch mobilized itself to exert pressure on one side or the other.

M. *The Decision Was Broadly Consistent With the Public's Sense of U.S. Interests:* fair.

The American public was bitterly divided on the issue of the bombing. At the start a greater proportion were in favor; as the war progressed opposition grew, although there were still some who believed a nuclear attack the appropriate remedy.

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NSSM 1

Based on a case by Edwin A. Deagle, Jr.

In 1969 the Nixon Administration inherited responsibility for Vietnam. No issue was more important to the new Administration. After many years of involvement and four years of hot war that cost the U.S. dearly in blood and treasure, President Johnson had been deterred from running for reelection because of his inability to bring the war to a successful conclusion. On an issue of such importance, one might assume that the U.S. Government would have been well informed. But President Nixon and his advisors were not satisfied that the National Intelligence Estimates (NIE's) and other assessments of the war effort by the Joint Chiefs of Staff provided a good picture of what was actually happening in Vietnam and what was likely to happen.

On the first day of the new Administration, the first National Security Study Memorandum (NSSM) posed twenty-eight fundamental questions about the Vietnam situation. Rather than asking for an NIE on each group of these questions, the Administration asked the interested agencies—both the intelligence agencies and the operating departments—to answer the questions individually and independently. Given the importance of the issue and the earnestness of the new President's request, it seems reasonable to assume that the agencies' answers represent their best efforts. According to all evidence the replies are representative examples of the analysis, judgments, and institutional perspectives of the agencies involved. For example, Question 19 asked: "How adequate is our information on the overall scale and incidence of damage to civilians by air and artillery, and looting and misbehavior by RVNAF [Republic of Vietnam Armed Forces]?" [1] The contrast between two of the answers is instructive. One said: ". . . information of the overall incidence of damage to civilians by air and artillery is direct and adequate." [2] This was followed by another agency answer stating that: "Information that would lead directly to an estimate of physical damage by bombing . . . is not reported on anything resembling a systematic basis. Sporadic reports reach Washington concerning civilian complaints of such actions but currently there is no known way to establish a reliable data base for this information." [3]

Few readers will be surprised to discover that the first view was that of the Commander U.S. Military Assistance Command, Vietnam (COMUSMACV), in which the Commander-in-Chief Pacific (CINCPAC) and the JCS concurred, or that the second view was that of the CIA. This is only one minor difference in assessment of military operations reported in NSSM 1. That these differences reflect organizational interests and histories and hopes is obvious. These replies thus merit careful examination for what they show us about:

1. The quality of each agency's analysis and the nature of its assessments of foreign situations, especially involving American military operations;
2. The manner and extent to which judgments about such issues seem to be affected by the interests of the organizations involved;
3. The relative usefulness of NSSM 1 vs. more traditional NIE's as mechanisms for eliciting and presenting judgments (and recommendations) about foreign situations involving military action.

Normally, these issues would not be subject to public analysis and discussion, since both NSSM's and NIE's are highly classified documents. Fortunately—at least for the aims of this study—NSSM 1 was read into the *Congressional Record* and is thus available for public scrutiny. In addition, a number of NIE's appear in the *Pentagon Papers*. This case therefore takes advantage of this unusual availability of materials to examine issues of special importance from the perspective of the Commission.

Section I consists of agency responses to four questions we have selected for careful examination. The four questions raise the central issues of the war, issues about which the agencies disagreed substantially. The questions are:

[1] U.S. Congress, *Congressional Record*, Volume 118, Part 13, May 4–11, 1972 (Washington, D.C.: U.S. Government Printing Office, 1972) (hereafter cited as *Record*), p. 16750.

[2] *Record*, p. 16818.

[3] *Record*, p. 16777.

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Question 2 on the impact of various outcomes in Vietnam on other countries in Southeast Asia;

Question 10A concerning the fact and prospects for RVNAF improvement;

Question 14 concerning the effectiveness of pacification; and

Question 28 on the effect of the bombing of North Vietnam on the DRV [Democratic Republic of (North) Vietnam].

The request for agency answers to these questions asked for separate, *"uncoordinated"* judgments of the major departments and agencies involved in the war: COMUSMACV, CINCPAC, the JCS, the Office of the Secretary of Defense (OSD), the CIA, the Secretary of State, the Bureau of East Asian and Pacific Affairs, the Intelligence and Research Staff (INR), and Embassy Saigon. Each was encouraged to present its best answer to each question. Responses to the list of questions were submitted in three packages: (1) a State Department reply (including comments by the Secretary, the East Asian and Pacific Affairs Bureau, INR and Embassy Saigon); (2) a CIA reply; and (3) a Defense Department reply (including OSD, JCS, CINCPAC, and COMUSMACV).

Section II analyzes the responses of each agency to the four questions. At the time NSSM 1 was commissioned, the war was undergoing profound changes. These changes in the character of the war were perceived differently by each of the agencies, largely for organizational reasons. Thus, the analysis begins with a quick review of the state of the war at that time. Then we analyze each agency's position in the Vietnam policy process and the responses themselves.

Section III compares and contrasts NSSM 1 (both the individual agency replies and the agreed memorandum agency positions) with the NIE's of the period as alternative ways of presenting judgments about critical issues in the war. Unfortunately, the NIE's of 1969 remain classified and cannot be included here. But NIE's from an earlier period, available in the *Pentagon Papers*, nevertheless suffice for our purpose. An appendix lists the original twenty-eight questions posed in NSSM 1. Agency answers to these questions, as they appeared in the *Congressional Record*, are included in the full case, available in the Background study on the Conduct of Military Operations.

I. SELECTED ANSWERS TO THE FOUR QUESTIONS

Answers to the four NSSM 1 questions reveal striking differences in agency judgments as well as in agency criteria of evaluation. A question that ostensibly tried to elicit factual information generated a broad range of responses, most often highly interpretive and judgmental. The following excerpts illustrate characteristic differences in the nature of the evaluation and in the overall judgments.

QUESTION 2: *What is the nature of evidence, and how adequate is it, underlying competing views (as in the most recent NIE on this subject with its dissenting footnotes) of the impact of various outcomes in Vietnam within Southeast Asia?*

Agencies agreed that assessments of the impact of outcomes rest more on judgments and assumptions than on hard evidence. The Defense Department was the only agency which attempted to evaluate the sources upon which all judgments were derived. Embassy Saigon indicated its inability to answer the question, while other agencies merely advanced their opinion without indicating the nature of evidence or its specific shortcomings. Judgments on the impact of the Vietnam outcome on the rest of Southeast Asia differed substantially. With the exception of Embassy Saigon all agencies discounted the notion that a Communist "victory" would lead to the "fall" of all Southeast Asia.

Agency Interpretation of Evidence:

The Bureau of Intelligence and Research:

Prognoses on the outcome in Southeast Asia after Vietnam *tend to rest more on highly subjective and interpretative judgments and assumptions* than on tangible evidence, regardless of the stated views of a number of Southeast Asia leaders. . . .[4]

The State Department's East Asia Division:

Assessments of how the outcome in Viet-Nam will affect the rest of Southeast Asia *rest more on judgments and assumptions than on tangible evidence.* The argument revolves around the impact of a settlement which for one reason or another would permit the Communists to take control of the government in South Viet-Nam, not immediately but within a year or two.[5]

Embassy Saigon:

We wish to underline that *we are not able to answer the specific question,* which is about the nature and adequacy of the evidence.[6]

Department of Defense:

The difference of opinion in NIE 50–68 between the Army and Air Force on the one hand and the remainder of the intelligence community on the other over the impact of a "good" vs. a "bad" Vietnam settlement on the future of Southeast

[4]Except where otherwise indicated all emphases in agency replies have been added. *Record*, p. 16760.

[5]*Record*, p. 16759.

[6]*Record*, p. 16783.

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Asia *reflects a differing evaluation of the same basic data.* For the most part, these assessments derive from public and private statements by local officials and from diplomatic reports.

Past national reaction to threats and crisis, and overall estimates of both the military and political weaknesses of each country are also weighted in these evaluations.[7]

Agency Judgments:

Bureau of Intelligence and Research:

For several reasons, we believe that a settlement in Vietnam *favorable* to the Communists . . . in itself *would not necessarily unhinge Southeast Asia.* Very likely, Cambodia and particularly Laos might well become fairly early casualties, although initially at least Hanoi would probably rely on political rather than military pressure to alter the situation further in its favor in both countries. However, Communist political and military assets elsewhere in the region, even in Thailand, probably would not be immediately strengthened, nor would the Communists during this early period be likely to rely more heavily on armed violence than at present. Hanoi would be preoccupied, for a time at least, with the formidable task of consolidating Communist rule in South Vietnam. . . .[8]

The East Asia Division:

Both Hanoi and Peking have indicated in the past their interest in extending their influence over at least mainland Southeast Asia and there is no reason to believe that this interest would wane once Hanoi was on its way to consolidating its hold on all of Viet-Nam. The Lao Dong Party (Vietnamese Communist party) is basically oriented toward the concept of international Communism. The Vietnamese have historically had designs on much of the area and therefore Hanoi is doubly motivated. It probably suits Peking's plans (and perhaps Moscow's as well) to let the Vietnamese be the principal instrument for "revolution" in this area. . . .

In short we believe that in the situation postulated *the Communists would not be inclined to exercise restraint and that the non-Communist countries, at least on mainland Southeast Asia, would find it difficult to resist the pressures they would come under without massive outside support.*[9]

Embassy Saigon:

It seems to us that *a victorious North Viet-Nam* would be overwhelmingly powerful in the area, would see no immediate reason for restraint at least in Laos and Cambodia, would conduct itself with justifiable pride and assertiveness as a country that had defeated the most powerful nation on earth, and *would accordingly strike terror into its opponents and convey encouragement and support to its potential allies and supporters in other Southeast Asian countries.* We are not assuming an explicit "great design" for aggrandizement, which is difficult to substantiate, but rather a succession of moves in response to increasing opportunities to exercise Vietnamese influence and eventually control in Southeast Asia. . . .[10]

Department of Defense (in this case predominantly the Office of the Secretary of Defense):

While the Vietnam settlement will have a significant psychological impact on Southeast Asian perceptions of US power and commitment, North Vietnamese strength, and the future of communism in the area, *Vietnam will only set the political tone, not determine the eventual outcome for each country.*

Other important factors will be: (1) the North Vietnamese and Chinese postures with respect to supporting insurgencies elsewhere in the area; (2) the degree of involvement in the area of extra-regional powers (Japan, USSR, India, Australia, UK, France); (3) the individual reactions of the countries to their specific internal situations. The compounding of uncertainties due to these multiple considerations makes it extremely difficult to judge the effect of a specific Vietnam outcome in isolation. . . .[11]

QUESTION 10A: *What differences of opinion exist concerning extent of RVNAF improvement and what is evidence underlying different views? For example, what success are the RF [Regional Forces] and PF [Popular Forces] having in providing local security and reducing VC control and influence in rural populations?*

All agencies except OSD emphasized that both the Regional Forces and the Popular Forces had improved their security operations, although hard evidence was absent in these agencies' answers. Nearly all indicated or implied that U.S. assistance had been an important, if not crucial, factor in RF and PF improvement. OSD stressed factors external to the South Vietnamese Army as reasons for its apparent improvement and was skeptical of the measurement criteria employed to analyze and substantiate the improvement cited by other agencies.

Bureau of Intelligence and Research:

. . . *the RF and PF have had reasonable success in providing local security.* Many individual RF and PF units have been willing to take casualties and

[7] *Record,* p. 16794.
[8] *Record,* p. 16760.
[9] *Record,* p. 16760.
[10] *Record,* p. 16783.
[11] *Record,* p. 16794.

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have sometimes accounted for a disproportionate number of the enemy KIA [Killed in Action]. We know too that the RF and PF have in general responded well to association with U.S. units, as in the Marines' Combined Action Platoons, and to the technical and motivational training instituted more recently by the MACV Mobile Advisory Teams. Indeed, the insistent demands of U.S. sector and subsector advisors in many areas for greater allocations of these forces are one indicator of their value.

U.S. attention to the RF and PF has paid off and should continue, e.g., focussing on motivational training, provision of more and better weapons, general logistical support, improved living conditions, etc.[12]

Embassy Saigon:

The increased percentage of population under GVN control since the Tet attacks in 1968 has been partly due to *increased effectiveness of the territorial security shield provided by the RF and PF.* The RF and PF began to be re-equipped during 1968 to offset increased VC unit firepower and to provide increased combat effectiveness. They were given a retraining program and improvements in the logistical support system were effected. Programs to improve leadership, the promotion system and the dispensing of awards were instituted. . . .

This higher level of activity has resulted in extension of the radii of operations and a steadily increasing number of contacts with the enemy. . . .

Considering the factors noted above, together with the results of RF and PF operations over the past several months, *we conclude . . . that RF and PF forces have significantly improved in effectiveness.* [13]

JCS, COMUSMACV, CINCPAC:

Information on the success of local security and the reduction of VC control is soft and recognized as such, but some conjecture can be made and trends discerned.

The JCS, COMUSMACV and CINCPAC report that *the best overall measure of the success of Regional forces (RF) and Popular forces (PF) in providing local security and reducing Viet Cong (VC) control is the trend in relatively secure and VC controlled population. . . .*

. . . despite the Tet setback, relative security has been extended to about 1.3 million people in the rural areas during 1968, and the Viet Cong have lost approximately 0.7 million of the population they controlled at the outset of the year. . . . [14]

[12] *Record,* p. 16765.
[13] *Record,* p. 16786.
[14] *Record,* p. 16804.

OSD:

OSD considers that despite increases in RF and PF operations and the increase in overall security ratings, improvement and extension of area security directly attributed to these remain marginal.

How much of the success of the accelerated pacification program is due to lack of VC opposition and how much is due to RF/PF efforts is not clear. An indicator is the fact that only about 20% of the RF/PF units in this program have moved from their original location. . . .

According to analysis of TFES reports and HES security ratings, the population *unprotected* by RF or PF *improved during 1968 almost as rapidly as those protected* by RF or PF; further, security improvement existed only when PF were present.[15]

QUESTION 14: *How much, and where, has the security situation and the balance of influence between the VC [Viet Cong] and GVN [Government of (South) Vietnam] actually changed in the countryside over time, contrasting the present to such benchmarks as end-61, end-63, end-65, end-67? What are the best indicators of such change, or lack of it? What factors have been mainly responsible for such change as has occurred? Why has there not been more?*

Embassy Saigon along with JCS, COMUSMACV, and CINCPAC maintained that the security situation was better than at any time since 1961. They accepted the official measurement criteria (the Hamlet Evaluation System—HES) and were optimistic about the recently implemented Accelerated Pacification Campaign. OSD and INR, however, questioned the HES statistics. INR cited the problems associated with the collection of HES data, while OSD carefully analyzed the inadequacies of HES statistics, concluding that the percentage of "secured" population was approximately the same at the time of the NSSM 1 study as it had been in 1962.

Bureau of Intelligence and Research:

Security, though subject to occasional relapses such as occurred at Tet in February 1968, has generally improved since its nadir in 1965 required the introduction of American combat troops. . . .

The official system for measuring of progress, the Hamlet Evaluation System (HES), shows substantial progress. . . .

However, there are a number of problems with these statistics. Critics of the current means of compilation of the statistics have pointed, among other things, to HES reliance upon GVN sources, the

[15] *Record,* p. 16805.

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pressure to show progress exerted upon local advisors by upper echelons, the lack of ability to verify much information, and the limited training given evaluators. It also has been argued that the statistics constitute a snapshot of military presence and development which does not show the dynamics of important ingredients, such as political attitudes, and that the statistics are weighted in favor of progress. . . . *In short, although progress has undoubtedly occurred, it is difficult to measure it accurately, and attempts to quantify it have generally ended up by overstating it.* . . . [16]

Embassy Saigon:

At the present time the security situation in this country is better than at any time during the period covered by this question. Principal factors in this improvement are: a) ARVN performance continued to improve; b) RF and PF forces have increased their operational activity and are providing an expanding territorial security shield over the countryside; c) general mobilization is providing a broader recruitment base for an expansion of all the Vietnam Armed Forces; d) with the increasing success of the Phoenix and Chieu Hoi programs the popular support and recruiting bases for VC are damaged; e) return to original hamlets and resettlement of refugees are proceeding at an accelerated pace; f) public services to the people have shown improvement and GVN officials are traveling more freely in the countryside; g) as GVN-controlled territory expands, inter-district and inter-province commerce and transport is resumed; h) local government is receiving impetus through the announcement that village and hamlet elections will be conducted during the month of March 1969 and the plan to place PF units and RD cadres in villages under village government control and to let village hamlet governments have control of funds for local development; i) political leaders, aware of the coming political confrontation in the post-hostilities era, are engaged in talking with a view toward unified political action; j) there has been a relatively low level of VC activity during the last quarter of 1968 and the first half of January 1969; k) VC establishment of Liberation Committees at the village/hamlet level has proven to be largely a propaganda and political gesture without much convincing appeal to the aspirations of the people.[17]

JCS, COMUSMACV, CINCPAC:

The number of relatively secure hamlets changed from 7,000 to 8,000 in early 1963 to about 4,000 in the fall of 1964 and mid-1965, 5,000 at the end of 1967, 4,559 after Tet, and 6,425 in December 1968. The main factors responsible for the changes for the better are the loss of local support when the North Vietnamese Army began to replace the Viet Cong programs, and the Accelerated Pacification Campaign. . . .

By all indications available to COMUSMACV, CINCPAC, and the JCS, there has been dramatic change in the security situation and balance of influence favorable for the GVN. Best estimates indicate that since January 1967, alone, more than 2,000,000 of the rural population have been brought into the relatively secure category. This represents a favorable change of more than 12% of the total population.

Some additional critical factors responsible for the change are:

a. A 28 percent increase and modernization of the RVNAF force structure over the period of 1965–1968;

b. The large Free World Military Assistance Force troop buildup in South Vietnam over the period 1965–1968;

c. The U.S. civil and military advisory buildup over the past 3 years at all levels of the Government of Vietnam structure;

d. Intensified anti-Viet Cong infrastructure programs beginning in 1967; and

e. The Accelerated Pacification Campaign of 1968–1969. . . . [18]

Office of the Secretary of Defense:

The data represented by the above table tends to support the contention that the balance of influence in the countryside has not been tipped strongly in favor of either the GVN or the VC; further, the indication is that there has not been great change over the past two years.

A recent analysis of population regression and gains represented some evidence that there is a high correlation between VC attacks and population regression. Further, a high correlation was demonstrated between kill ratios and population regression. Since high kill ratios are associated with periods of high VC/NVA activity, this tends to support the correlation between VC attacks and regression. Additionally, examination of RF/PF casualties versus population regression shows a high degree of correlation and also supports the initial contention that *VC attacks are the most significant factor in affecting regression in the rural population.* . . .

Thus, population gains do not seem to relate directly to level of military activity while population regressions do, particularly enemy military activity.

[16] *Record*, pp. 16765–66.

[17] *Record*, p. 16787.

[18] *Record*, pp. 16808–16809.

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OSD's analysis of the available data tends to lead to the following overall conclusions: (1) The portions of the SVN rural population which was aligned with the VC and aligned with the GVN is approximately the same today as it was in 1962: 5,000,000 GVN aligned and nearly 3,000,000 VC aligned; (2) At the present, it appears that at least 50% of the total rural population is subject to significant VC presence and influence; (3) The most significant factor negatively affecting the situation in the countryside is VC/NVA military activity. . . . [Emphasis in original OSD response.] [19]

QUESTION 28: *With regard to the bombing of North Vietnam* [which had been cut back to the lower panhandle as of March, 1968]: *What evidence was there on the significance of the principal strains imposed on the DRV* [Democratic Republic of (North) Vietnam] *(e.g., in economic disruption, extra manpower demands, transportation blockages, population morale?)*

Although agencies were in relative agreement on the overall ineffectiveness of the bombing in accomplishing its political and military objectives (JCS, COMUSMACV, and CINCPAC opinions are not included), there are distinct differences in the quality of agency assessments. Embassy Saigon, consistent with its other responses, did not attempt to breach the gap between factual data and interpretation to evaluate the qualitative impact of the bombing. Instead, it stressed the bombing's quantitative results. OSD, INR, and the CIA emphasized in specific terms the countermeasures which North Vietnam adopted to minimize the effects of the bombing. Independently but unanimously they concluded that the bombing had not significantly affected North Vietnam's morale or willingness to continue the war.

Bureau of Intelligence and Research:

. . . the bombing is estimated to have caused North Vietnam economic and military losses totaling just under $500 million. In addition, there were many additional losses that could not, in the intelligence community's opinion, be assigned any meaningful values.

Unfortunately, the available intelligence indicators were relatively silent about the significance of these strains, i.e., about their cumulative ability to deter Hanoi from political and military policies unacceptable to the U.S. In theory, there was an upper limit to North Vietnam's capacity simultaneously to continue the defense of the North and the big-unit war in the South. . . .

What did become clear during the course of the bombing was that the North Vietnamese had not been paralyzed. Hanoi found a variety of ways to minimize and adapt to the strains of the bombing. Foreign aid was perhaps the most important single element in this adaptation, but the striking tenacity of the North Vietnamese leadership and the disciplined if fatalistic response of the North Vietnamese people were of nearly equal importance. Despite increasingly heavy bombing, the North continued to function. A high level of imports continued to be received and distributed, permitting North Vietnam to serve as "the great rear" for "the great frontline" in the South. *The infiltration of men and supplies continued to increase from 1965 to the present.* . . . [20]

Embassy Saigon:

North Vietnamese industry was damaged severely by the bombing. Up to 80 percent of its electric power capacity was knocked out, reducing not only the production of electricity but also production at plants dependent on the powerplants. The country's cement plant and iron and steel plant also were damaged heavily; this entirely eliminated domestically produced cement and pig iron, both traditional export items. Other plants extensively damaged included textile, paper, chemical, fertilizer, and coal processing.

NVN, however, took countermeasures to minimize the effects of the bombing. . . .

There is little evidence that the bombing adversely affected the morale of the people of NVN. An indirect effect of the bombing was to create a lower standard of living. . . . In addition, the programs to disperse industry and evacuate [the] urban population were poorly organized, resulting in temporary unemployment, lack of housing and often inadequate rations. Moreover, both programs resulted in the separation of families, a possible morale-depressant. As the bombing continued, however, these programs were improved and the standard of living always was maintained, at least at subsistence level.[21]

OSD:

It is generally agreed that the bombing did not significantly raise the cost of the war to NVN. This was because production facilities outside of NVN were not targetable and ample external aid was available from the Communist Bloc nations. The Soviet Union, Communist China, and Eastern European nations provided the bulk of the combat equipment and material used by enemy units in South Vietnam. The cost of this support to North Vietnam was negligible. . . .

[19] *Record*, p. 16811.

[20] *Record*, p. 16772.

[21] *Record*, p. 16792.

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The bombing undoubtedly had adverse effects on the people of NVN. Individual citizens suffered many hardships. While the total supply of goods in NVN increased, individual standards of living declined. . . .

Still, there is no evidence to suggest that these hardships reduced to a critical level NVN's willingness or resolve to continue the conflict. On the contrary, the bombing actually may have hardened the attitude of the people and rallied them behind the Government's programs.[22]

CIA:

The major effects of the bombing of North Vietnam were extensive damage to the transport network, widespread economic disruption, greatly increased manpower requirements, and the problems of maintaining the morale of the people in the face of personal hardships and deprivation. *Hanoi was able to cope effectively with each of these strains, so that the air war did not seriously affect the flow of men and supplies to Communist forces in Laos and South Vietnam. Nor did it significantly erode North Vietnam's military defense capability or Hanoi's determination to persist in the war.* Material losses resulting from the bombing were, for the most part, offset by increased imports from Communist countries. . . .

Despite heavy damage to the transport network throughout the bombing, effective countermeasures kept the system operable. . . .

Throughout the bombing campaign, construction of new rail lines and new highways, along with the dual gauging of the Hanoi-Dong Dang line, was continued so that *the transport network now has a greater capacity than at any previous time.* . . .

The bombing imposed severe hardships on the people by the constant threat to life, by the disruption of personal routines, and by the dispersal of industry and evacuation from urban areas. . . . The regime was quite successful, however, in using the bombing threat as an instrument to mobilize people behind the Communist war effort. There is substantial evidence, for instance, that the general populace found the hardships of war more tolerable when it faced daily dangers from the bombing than when this threat was removed and many of the same hardships persisted. Concern about maintaining popular morale, and, in particular, discipline and unwavering support for the needs of the war appears to have grown markedly in the past year when most of the country was no longer subjected to bombing.[23]

[22] *Record*, p. 16833.
[23] *Record*, pp. 16779–80.

II. ANALYSIS OF RESPONSES

A. The State of the War, January, 1969

When Richard Nixon took office in January, 1969, the war in Vietnam had recently entered a new phase. During the period of the massive U.S. military buildup between 1965 and 1968, U.S. forces had been deployed near the borders of Cambodia, Laos, and North Vietnam, well removed from the bulk of the South Vietnamese rural population. The theory was that U.S. forces would seek out NVA and VC main forces and destroy them before they could reach the rural population, while RVNAF forces would provide security for the villages in the countryside.

But the Tet offensive of 1968 demonstrated the futility of this strategy of attrition through American search-and-destroy missions. Tet made it clear for all to see that NVA-VC forces maintained the capability to launch major attacks against the cities and provincial capitals of South Vietnam, and that the "security" provided by RVNAF forces was tenuous at best. In the aftermath of Tet, with the beginnings of the withdrawal of American forces from South Vietnam, the U.S. was forced to adopt a new strategic approach to the war in South Vietnam. U.S. forces were redeployed in the populated rural countryside around Saigon, on the populated coast lands up through Hue, and across the DMZ and I Corps. Moreover, for the first time since U.S. troops had been introduced into the war, the operations of U.S. forces, the ARVN, the local militia, and civil programs for economic and political development were integrated in the U.S. command structure. An Accelerated Pacification Campaign (APC) —a concentrated effort to recover the allegiance of the people who lived in contested areas—was also initiated and carried out in conjunction with the new military strategy.

At the time the NSSM 1 responses were developed by each of the responding agencies, the new strategy had been in effect for about six months. Initially, it was not conceived as a new strategy, but rather as a temporary response to difficult circumstances. The enemy's attacks against the cities and provincial capitals of South Vietnam had forced U.S. forces to cope with guerrilla activities in the rural populated countryside. By mid-1969, the new deployments and the Accelerated Pacification Campaign became widely recognized as the twin components of a new strategy. But in January, when NSSM 1 responses were written, the new strategy was just emerging as the conservative, tentative response of General Creighton Abrams, who had replaced Westmore-

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land as COMUSMACV. While the developing debate on this issue is reflected in a number of the answers to NSSM 1, agency answers did not address these developments directly.

B. The Organizations and Their Responses

1. Embassy Saigon

The American Embassy in Saigon never assumed a position of influence in the conduct of the Vietnam War. Early on Washington hoped that the Embassy would supervise the entire U.S. war effort. In 1964, when Maxwell Taylor replaced Ambassador Henry Cabot Lodge, President Johnson conferred on him overall responsibility for the "whole U.S. military effort in South Vietnam" and hoped that he would function as "proconsul." [24] But after the introduction of ground forces in 1965, the Embassy was relegated to the periphery of policy decisions for Vietnam. COMUSMACV held operational responsibility for the war in the South and controlled a wealth of material and human resources, thus dominating the American war effort. The Embassy was bypassed in the command structure with MACV reporting to CINCPAC and through CINCPAC to the JCS.

Although in theory the Embassy supervised civilian agency operations in Vietnam, in fact each agency dealt directly with its own Vietnam Mission, leaving Saigon without even the civilian authority it was intended to have.[25] The string of Ambassadors appointed to Saigon were unable to bolster the Embassy's position and some, such as General Maxwell Taylor, saw no reason to violate the integrity of the military chain of command. Once the war had escalated, it would have been difficult, if not impossible, for any Ambassador to challenge seriously that dominance. The State Department's own weak position *vis à vis* Vietnam policy contributed to the Embassy's ineffectiveness. Operational decisions in Washington were dominated by DOD and the JCS. Thus, State could give no measure of credibility or strength to its Saigon mission.

In the course of dealing with a succession of weak governments out of touch with political realities in the provinces, the Embassy's own perspective became distorted. Equally important, the Embassy had no independent sources of information in the political military situation in the countryside. It was left to rely on what it could obtain from COMUSMACV. When the Embassy did advance judgments, they tended to conform to COMUSMACV evaluations. More often than not, the Embassy had no information at all, as its responses to NSSM 1 indicate. When in 1968 the majority of its experienced staff was transferred to the Civil Operations and Revolutionary Development Support agency (CORDS) pacification program, then part of COMUSMACV, the Embassy lost the bulk of its analytical and reporting expertise. Embassy opinions reflected misplaced confidence in the Saigon Government as an institution and a failure to appreciate the country's socio-political traditions.

NSSM 1 provides powerful evidence of the Embassy's lack of independent information. On nine of the twenty-eight questions (including question 10A on the success of Regional Forces in providing local security) Saigon replied: "The Embassy had no evidence on this subject independent of that of MACV. Therefore, we are not attempting to provide a separate answer." Alternately deferring to MACV and citing statistics without evaluating real effects, the Embassy answers convey a weak, though accurate, image of its position in the war.

The character of the Embassy's analysis is most evident in its response to Question 14 on pacification. Using questionable data, the Embassy advanced a judgment that paralleled that of COMUSMACV. It asserted that the security situation was better than at any time during the previous nine years. It did not attempt to grapple with the issue of valid measurement criteria and instead, based its opinion on the subjective Hamlet Evaluation System (HES) assessments which had been called into question by the Tet offensive. On the question of the effectiveness of the bombing, the Embassy hedged. It listed the facts on what sites had been destroyed but vaguely concluded that Hanoi was able to undertake countermeasures. The Embassy did not comment on future prospects.

In answering Question 2 on the evidence of the impact of various outcomes in Vietnam on the future of Southeast Asia, the Embassy indicated that lacking evidence, it could not answer the specific question. Instead, it attempted to speculate on the role of a victorious versus a stalemated North Vietnam in Southeast Asia. It suggested a simplistic view—that if victorious, Hanoi would embark on a policy of gradual aggrandizement and if frustrated, an equilibrium would neutralize those nations such as Cambodia and Laos which might otherwise be inclined to lean toward Communism. The Embassy made no attempt to differentiate between the countries of Southeast Asia nor did it attempt to define their relationship to China.

2. Department of State

Although the State Department might have exercised a coordinating role for inter-departmental ac-

[24] Komer, *op. cit.*, p. 86.
[25] *Ibid.*, p. 85.

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tivities in Vietnam, it did not. As the war escalated, COMUSMACV's operational authority became more entrenched and the central group of Washington policy-makers dwindled in size. Dean Rusk was prominent in the small circle of Presidential advisors that formulated policy less because of his position as Secretary of State than because the President trusted Rusk as an individual. The Department of Defense and the JCS dominated the daily decisions about the war.

Apart from its inherent disadvantages *vis-à-vis* DOD on decisions about military operations, internal divisions further weakened the State Department's position and the validity of its assessments. The East Asia Bureau (EA), which acted as Washington desk for Embassy Saigon, largely supported the views taken by the mission. The reason for this is clear: the Embassy was EA's primary—indeed almost exclusive—source of information on the conduct of the war. EA's perspective was doomed to reflect the Embassy's constraints and biases. In the cases of NSSM 1 it did so. EA was further limited by its own organizational bias. As a regional bureau in Washington, its tradition was to collect information from missions abroad, not to analyze or evaluate it. Thus, its answers to NSSM 1 reflect little inclination to question the judgments of Embassy Saigon.

Another bureau in State had a totally different perspective on the war. The staff agency in Washington responsible for Vietnam assessment was the Intelligence and Research Bureau (INR). Having the advantage of access to both State Department and CIA information, INR's perspective extended beyond the limits of its own department. INR had no stake in the war and therefore was free to criticize programs and outlooks set forth by the military establishment and Embassy Saigon. Its staff was trained to evaluate information in ways that neither the Embassy nor EA was. INR was not constrained by having to cater to the needs of an overseas mission, and its staff had both the time and the inclination to analyze information. Consequently, INR tended to question the validity of measurement criteria and distinguished between hard and soft evidence, between aspirations and facts.

The split between EA and INR prevented State from advancing unified assessments and thus weakened its position and the credibility of its evaluations. The form in which State submitted its answers to NSSM 1 serves as glaring evidence of the Department's chronic internal division. The responses to the NSSM 1 questions from the several agencies reporting to the Department were to have been coordinated and submitted as a single memorandum. In fact, however, after having offered an initial set of answers that met the prescribed deadline, over a week later, State submitted a second set of responses from the Secretary's office commenting on the previous group of answers. Secretary Rogers' cover note to the second submission stands as a classic example of the symptoms frequently cited by State Department critics.

> I enclose an additional memorandum of comment responsive to the original request. The enclosed memorandum contains the Department's comments on our own submissions and those of Ambassador Bunker. These comments may be helpful in evaluating Ambassador Bunker's responses.[26]

There follows a list of numbered comments, keyed to the Department's previous submission, unintelligible unless read within paragraphs of the previous document, and this requiring a jigsaw puzzle solution before the reader even attempts to infer the grounds for differences in judgments. While State's submission seems a caricature of common criticisms of the Department for incomplete staffwork, participants in these events maintain that such actions were not uncommon.

For three of the four questions we have chosen (2, 10A, and 14) INR and EA held divergent views.[27] INR doubted that a Communist victory in South Vietnam would cause all of Southeast Asia to fall and argued that Hanoi would be preoccupied with consolidating its position in South Vietnam. EA, on the other hand, echoed Embassy Saigon's evaluation and stated that Communist China and Hanoi would act decisively to extend Communist influence in the area. Both acknowledged that judgments on the question rested more on subjective assessments than real evidence. Neither attempted to extend the bases for their own evaluations beyond this level. On the question of the fact and prospects of RVNAF improvement, INR commented that RVNAF's ability to sustain itself would depend on circumstance but concluded overall that it would be at least two years, perhaps longer, before ARVN would become an effective fighting force.

In responding to the pacification question, INR acknowledged the problems posed by the HES measurement criteria and referring to HES data, said:

> . . . there are a number of problems with these statistics. Critics of the current means of compilation of the statistics have pointed, among other things, to HES reliance upon GVN sources, the pressure to show progress exerted upon local advisors by upper echelons, the lack of ability to

[26] *Record*, p. 16754.

[27] Of the four responses we are evaluating the *Congressional Record* includes an EA answer to Question 2 only. However, a memo from EA to Secretary Rogers, which is reproduced in the *Record*, indicates that EA disagreed with INR on the three questions. *Record*, p. 16755.

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verify much information, and the limited training given evaluators.[28]

INR's examination of the quality of information as well as of the information itself displayed a depth of analysis that was absent in both Embassy Saigon's and EA's evaluations.

The INR response to the question on the effectiveness of the bombing reflected the same penetrating quality. The Bureau distinguished between evidence on the nature of the destruction and the significance of the destruction. INR concluded that despite the level of the bombing the North was able to prosecute the war effectively.

3. Central Intelligence Agency (CIA)

As the agency whose prime mission is intelligence analysis, the CIA was perhaps the best situated among all agencies to respond to NSSM 1. The organization had established channels of information independent of any other group civilian or military. Its agents were trained by and responsible only to the Agency itself and had no other organizational affiliations, in contrast to DIA, for example. Throughout America's involvement in Vietnam the CIA had been called upon to evaluate the progress of the war. It advanced judgments on the effectiveness of existing military operations as well as on projected escalations. Thus the CIA perceived itself as a legitimate source of advice in this area, ranking with if not competing with DOD and the military agencies.

Unlike most other agencies, the CIA's assessments were characterized by careful analysis of raw data, relating evidence to outcomes. The group within the CIA which prepared responses to NSSM 1 did not have operational responsibilities in South Vietnam and thus had no reason to bias its estimates. Assessments were carried out by the Deputy Director of Intelligence. (Southeast Asian operations were supervised by the Deputy Director for Plans and by George Carver.)

The mode and quality of analysis which the CIA had carried out during the earlier period of the war was evident in its NSSM 1 responses. Of the four questions we have chosen, the *Congressional Record* makes available only one CIA answer, 28. The Agency answered the question forcefully and analytically stating:

> . . . the air war did not seriously affect the flow of men and supplies to Communist forces in Laos and South Vietnam. Nor did it significantly erode North Vietnam's military defense capability or Hanoi's determination to persist in the war.[29]

The CIA based its conclusions on data analysis of the enemy's need for supplies, the amount of supplies transported, and the effectiveness of accommodation to the level of destruction. In effect, the CIA was discrediting bombing interdiction as a means of limiting the flow of supplies, and in doing so was arguing against the future possibility (which the JCS, COMUSMACV and CINCPAC advocated) of blockading Haiphong and renewing interdiction campaigns over rail and road networks.

It merits noting that the NIE cited in Question 2 was drafted by the CIA. In that estimate the CIA rejected the domino theory and minimized the impact of a Communist victory in Vietnam on the political disposition of neighboring countries.

4. COMUSMACV

As the central authority for command and control of all the forces in South Vietnam, COMUSMACV had vital interests at stake in the NSSM 1 evaluation. The Chiefs had routinely deferred to the authority of the field command in decisions on strategy and operations in the South, accepting and supporting MACV's recommendations at every major juncture. More than any other single agency, COMUSMACV was responsible for the success or failure of the American military effort in South Vietnam.

COMUSMACV controlled three different organizations in South Vietnam. First were the U.S. Forces Tactical Headquarters, of which the Army and the Air Force were the most powerful. These agencies controlled American combat resources in Vietnam and commanded the tactical forces provided by the allies of the United States—the FWMAF. COMUSMACV also controlled the MACV Advisory effort. This was the closest substitute for direct command of RVNAF units. American advisors assisted their Vietnamese counterparts at key command and staff positions in the ARVN forces. But officers who staffed the advisory effort were widely thought to be less competent and unable to compete for more prestigious U.S. commands. Furthermore, the advisors dealt with ARVN forces of far less combat capability than U.S. units, and (as a result) there was a tendency to ignore them. Like General Stilwell's command in China during World War II, the RVNAF and their advisors were considered a necessary but secondary resource.

COMUSMACV also controlled the pacification effort through its subordinate organization, CORDS. Prior to 1967, the small CORDS civilian pacification effort had been run by the Embassy, using mainly State and AID personnel. The CORDS effort had been so overwhelmed by the magnitude of the conventional U.S. military operations that it had little impact on the conduct of the war. But in late 1967 CORDS was integrated into

[28] *Record*, p. 16766.
[29] *Record*, p. 16779.

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the COMUSMACV structure. Ambassador Robert Komer, who had been sent by President Johnson to invigorate the program, became General Abrams' deputy—fully integrated into the chain of command with four-star rank. Until Tet 1968, CORDS had used its resources mainly to stabilize the economy in South Vietnam, which was always in danger of runaway inflation. After the Tet offensive, Komer used CORDS as the focal point for integrating pacification with military operations. Komer's assignment to CORDS marked the beginning of the American shift in emphasis from conventional operations to pacification and Vietnamization under a program known as the Accelerated Pacification Campaign.

By January, 1969, General Abrams was evolving a conservative but increasingly effective strategy. He deployed the bulk of U.S. forces among the populated areas of South Vietnam, making it difficult for the North Vietnamese to threaten military security in the countryside. Against the background of higher-level security, the APC effort managed by Komer began to take root. But no one in COMUSMACV could explain with great assurance why progress had been made even though all recognized it. Moreover, to have done so would have discredited the costly conventional effort carried out for three years and with it the fundamentals of Army doctrine, training, and structure. Thus, COMUSMACV found a dilemma in responding to NSSM 1. To support the effectiveness of its role in Vietnam both with the previous search and destroy strategy and with the existing pacification-security strategy, it had to present a favorable evaluation of the course of the entire war—without attributing specific improvements to either strategy. The result was that COMUSMACV responded to NSSM 1 with considerable optimism, even though it could not and did not document the basis for that optimism.[30]

5. Commander-in-Chief Pacific (CINCPAC)

As the unified command in the Pacific, CINCPAC exercised control over the Navy carrier forces off the coast of Vietnam and the Air Force B-52 squadrons which did most of the bombing in the North. Earlier in the war there had been suggestions that CINCPAC be taken out of the chain of command between Saigon and Washington. The change would have involved transferring CINCPAC's authority to COMUSMACV in Saigon. The transfer did not take place, but CINCPAC's officers were mindful of the possibility. This was an important issue because CINCPAC had usually been a Navy command while COMUSMACV was an Army command. CINCPAC was in effect the Navy's only command in the conduct of the war in Vietnam.

In addition to the issue of inter-service rivalry, internal Navy interests were at stake in the war and consequently in the NSSM 1 evaluation. Navy aircraft carriers had been responsible for a substantial portion of the bombing of the North. The relative effectiveness of the carrier bombers would heavily influence future funding of the Navy's aircraft carriers and affect the position of the carrier advocates within the service. Like COMUSMACV in the South, with NSSM 1 CINCPAC was rating itself.

Because its hook into the command structure was so tenuous and because one of the Navy's primary missions was at stake, CINCPAC's response to NSSM 1 was one of support for COMUSMACV and the JCS and a dogmatic defense of the effectiveness of carrier-based bombing in North Vietnam.

6. The Joint Chiefs of Staff (JCS)

By 1969, the JCS was the only agency in Washington with an institutional stake in defending the conduct of the war. The JCS Chairman was General Earle C. Wheeler, who as Chief of Staff of the Army and later as Chairman had been the principal source of military advice to President Johnson. The Chief of Staff of the Army was General William C. Westmoreland, who had only six months before left the field command in Vietnam which he had created and directed since 1965. Both men had been vigorous proponents of the successive escalations between 1965 and 1968, and both had their professional reputations at stake in the outcome in South Vietnam. Neither could be expected to criticize the strategy of which they had been the architects.

The JCS was the major forum for legislating agreement among the three services in disputes over programs and performance. The direct line of command from COMUSMACV in Saigon through CINCPAC ended at the Chiefs, who, in presenting their advice to the President, are strongly motivated to advance a single recommendation agreed upon by all after discussion and compromise. Accepting the judgment of the commander in the field during wartime, the Chiefs had no source of information on the progress of the war other than from COMUSMACV. In every phase of decisions their opinions were essentially his. This was true in the case of NSSM 1.

Apart from their dependence on COMUSMACV, there was another factor determining JCS evaluations of the war effort. As representatives of their respective services, the JCS were well aware of the relationship between the performance of U.S. forces in Vietnam and the budget process which allocated funds for service missions. A judgment that military doctrine, equipment or training had

[30]Since COMUSMACV, CINCPAC, and the JCS submitted what were virtually shared opinions, their responses will be considered together following the section on the JCS.

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failed in Vietnam meant a cutback for the service programs that had been expanded and defended in the previous decade. For the sake of maintaining their programs the Chiefs had to prove the war was a success.

Thus, in January, 1969, the JCS were not in a position to make an independent assessment of strategy and tactics in Saigon and the countryside. To do so would have first of all been difficult, since the Chiefs felt themselves s ır removed from the field. Secondly, to do so would have implied criticism of Abrams' tactics and strategy. A separate assessment might have sharpened and illuminated the differences between Abrams' emerging strategy and Westmoreland's losing one. Undifferentiated support prevented that embarrassment from surfacing.

7. COMUSMACV/JCS/CINCPAC Responses

In the reply to Question 2 the DOD summary indicates that Army, Navy, and Air Force intelligence dissented from the NIE—that is they did not agree with the CIA's rejection of the domino theory. However, DOD did not quote service opinions. These opinions were undoubtedly an expression of each agency's wish for outcomes and its stakes in the war effort. To justify the level of the American commitment to Vietnam the military had to present the blackest picture of the results of an enemy victory. To have done otherwise would have been to cast doubt on the purpose of American involvement in Vietnam and the military's successive recommendations for escalation. The military had repeatedly promised victory, giving the impression that it was both possible and desirable for American policy objectives. Since in the broadest context the American decision to employ troops in Vietnam had been directed to preventing the extension of Communism, the military shaped their response in support of the domino theory.

In responding to Question 10A concerning Vietnamization, COMUSMACV had to strike a delicate balance. The ground command's stake in a successful outcome meant that it had to warn Washington against turning over the war before the RVNAF was ready. On the other hand, since COMUSMACV was responsible for training and equipping the RVNAF, it could hardly overstate RVNAF's weakness. It was, therefore, disposed to give a positive evaluation of RVNAF improvement to date but to encourage sustained American support. COMUSMACV produced a detailed evaluation which attempted to substantiate its optimistic projection by citing a mound of statistical data. Yet, unlike OSD, COMUSMACV did not penetrate the surface evidence to explore the broader problems of RVNAF organization and leadership. Instead, it concluded that "RVNAF is making fairly rapid strides in improvement and effectiveness and that the prognosis for a self-sufficient force designed to hold its own against an internal threat is good." By emphasizing RVNAF's progress, COMUSMACV was also pointing to its own effectiveness as well as to the importance of its continued presence in South Vietnam.

In the response to the pacification question COMUSMACV, JCS and CINCPAC concluded optimistically:

> By all indications available . . . there has been dramatic change in the security situation and balance of influence favorable for the GVN.[31]

For evidence they relied on the HES statistics and other statistical measures of performance which had been discredited earlier and with which OSD and INR took issue in their own NSSM 1 responses. COMUSMACV's claims were therefore disputed, and the data which the military submitted did not serve the intended purpose of supporting the evaluation. COMUSMACV failed to establish the essential link between actions taken and evidence of progress. On that basis OSD contested the military's conclusion.

With regard to the bombing, COMUSMACV, the JCS, and CINCPAC admitted that the bombing had not affected Hanoi's resolve or caused a change in enemy tactics. Although they also conceded that the rate of Chinese and Russian resupply had exceeded the damage imposed by the bombing, they still maintained that the bombing had been effective enough. However, like their evaluation of the pacification program, the military's argument on this point suffered from failure to relate quantitative evidence to qualitative improvements. Apart from being a reflection of the necessity to justify their past efforts, their opinions were also meant to bolster a recommendation for resumption of the interdiction campaign, which they included in their NSSM 1 response. In effect, they were doing in NSSM 1 what they had done throughout the war: promising decisive results from just one more escalation.

8. Office of the Secretary of Defense (OSD)

Because the new Administration was not fully operational at the time of the NSSM 1 request, the task of responding to the memorandum fell to second-level officials in each department. In OSD this meant that the members of the offices of International Security Affairs and Systems Analysis prepared the answers. Both ISA and SA were staffed by a combination of military and civilian personnel.

[31] *Record*, p. 16809.

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Although the military professionals on both staffs were in background and training no different than those on the Joint Chiefs of Staff and in Saigon, their experiences in the aftermath of Tet had been quite different. A special team of analysts, the Vietnam Task Force (VTF), had been assembled to write the *Pentagon Papers* and in the process had acquired considerable expertise. Neither VTF nor Systems Analysis had operational responsibilities in the conduct of the war. Both agencies had been drawn into Vietnam policy debates later, and mainly as critics; and both were involved in the 1968 staff effort which turned the new Secretary of Defense, Clark Clifford, against the war. Both agencies thus had an institutional pattern of behavior that placed them and OSD against the military services in controversies about the conduct of the war.

Moreover, the OSD challenge to service prerogatives encompassed more than the Vietnam issue. Since 1961 the Systems Analysis Office had undertaken an ongoing review of military force requirements, strategies, and budgets. McNamara's "whiz kids," as their critics referred to them, had developed an independent mode of analysis, which for the first time forced the services to account for their expenditures in specific terms. Systems Analysis' experience in sifting through military data and routinely extracting their own conclusions allowed them to approach the NSSM 1 request with a sophistication and precision uncommon to other government agencies.

The response to Question 14 gives ample evidence of the quality of OSD assessments. In evaluating the effectiveness of pacification, OSD marshalled COMUSMACV data to reach conclusions opposed to those of the ground command. Rejecting COMUSMACV's census count approach to determining pacification gains, OSD maintained that large numbers of Vietnamese shifted back and forth from VC to GVN controlled areas in order to escape fighting. In doing so, the Vietnamese tended to acquiesce to whichever side had military control of a given area but did not actually support that group. To substantiate their opinions OSD presented a series of data on tax collection, population regression, and influence of the VC infrastructure, concluding, "that the balance of influence in the countryside has not been tipped strongly in favor of either the GVN or the VC; further, the indication is that there has not been great change over the past two years." [32]

On the issue of RVNAF improvement OSD once again employed detailed COMUSMACV data to present opinions different from those of the military command. OSD pointed out that the differences focused on (1) the degree and speed of improvement, and (2) prognosis for the future. Citing RVNAF's weak leadership, poor promotional structure, internal dissension, lack of commitment to pacification, and inability to relate to the Vietnam populace, OSD summarized its conclusion:

> RVNAF is making only limited progress due to primarily recent inputs of U.S. resources, to U.S. combat activity and to a perception that U.S. forces may withdraw. Significant improvement of RVNAF is limited because of constraints of the present military and political system. RVNAF mut [sic] take major political and military actions, some of which are not now underway, to become an effective force in the near future.[33]

OSD's emphasis on the need for RVNAF internal reforms indicated the agency's by now fervent desire for American withdrawal from Vietnam.

In its response to the question of the effectiveness of the bombing OSD reaffirmed an opinion it had advanced since 1968 after a number of detailed studies, namely that "there is no evidence to suggest that these hardships [resulting from the bombing] reduced to a critical level NVN's willingness or resolve to continue the conflict" and that "while the exact magnitude of . . . supplies flows and requirements are all subject to uncertainty . . . the bombing failed to reduce support below required levels. . . ." [34]

Finally, on the question of the effects of Vietnam outcomes on the rest of Southeast Asia, OSD agreed with the CIA-authored NIE, which had rejected the domino theory, and stated perceptively that "multiple considerations make it extremely difficult to judge the effect of a specific Vietnam outcome in isolation." Among the factors OSD cited as impinging on the effect of the war's result were the internal domestic situation in individual South Asian countries, the North Vietnamese and Chinese inclination to support insurgencies elsewhere in the area, and the degree of involvement of the major countries outside Asia.[35] OSD's appreciation of the uniqueness of the several Southeast Asian nations was an exceptional insight. No other agency whose responses are available for NSSM 1 demonstrated this level of understanding.

9. Defense Intelligence Agency (DIA)

The DIA was created in 1961 to coordinate the intelligence activities formerly performed separately by the individual military services. At the upper levels the agency is predominantly staffed by military careerists. Its director reports to the JCS

[32] *Record*, p. 16811.

[33] *Record*, p. 16801.

[34] *Record*, p. 16833.

[35] *Record*, p. 16794.

and through them to the Secretary of Defense. Although the DIA and the CIA had access to the same data on the war, the two agencies' evaluations were consistently very different. The reasons for this are clear. First, the service affiliations of the DIA staff created incentives for analysis favorable to the services. A staff officer's concern about his career advancement as well as his allegiance to his service would induce him to give a positive profile of that service's performance. Second, because the DIA was accountable to both the JCS and OSD there were incentives to compromise the substance of intelligence analysis to satisfy two groups of superiors, who tended to be at odds with each other. DIA's relationship to the JCS was further complicated by the problem of interservice rivalry and the consequent need to modify intelligence evaluations to suit competing service objectives.

In 1968 DIA formally lost its claim as an independent intelligence analyst for Vietnam. At that time a CIA-DIA Working Group was established to reach agreement on the strength of those elements comprising the military threat to the United States. A result of the change was that the CIA view dominated the CIA-DIA Working Group (although COMUSMACV and CINCPAC do not concede that dominance). Thus, for the most part DIA views were not separately represented in NSSM 1.

III. COMPARISON OF NSSM 1 AND NIE'S

NIE's and NSSM's represent alternative methods of providing policy-makers with information on a wide range of foreign policy issues. As such, they establish the framework of choice for future policy and impose limits on the shape and quality of discussion determining a given decision. They differ from each other in both process and in result. An NIE is essentially a group effort, including staff input from several agencies: CIA, DIA, the National Security Agency (NSA), INR, and when relevant, the Atomic Energy Commission, the FBI and the Department of the Treasury. Coordinated by the CIA, the NIE advances a single recommendation. Although it does allow for dissenting opinions, its substantive product is one proposal or judgment. Until very recently, the views of several participating agencies were submerged in the single NIE opinion with no indication of individual agency opinions within the single estimate. As a multisource opinion, the NIE will tend to be a compromise evaluation, one which the greatest number of participants can support. This can only mean that the specificity of the evaluation will be compromised in an effort to create the broadest possible consensus. For example, if one agency believes that the probability of nation X attacking nation Y over the next decade is 25% and another agency believes it to be near zero, rather than saying that, the NIE will restrict the prediction to a number of years, say three, where both agencies can agree that the probability of attack is very low.

The NSSM 1, as we have seen, produced a very different result with the respondents presenting views independent of one another. Although the disparity of opinions made for a murky and confusing picture of the state of the war, the arrangement did allow independent agency views to surface. Kissinger and his staff could associate a given opinion with a specific agency and could challenge one agency's view on the basis of another's evaluation or (as they actually did) reject all evaluations and develop their own. NSSM 1 also gave senior policymakers an opportunity to make judgments on the relative quality of each agency's assessments. With the competing views and supporting evidence laid before them, Kissinger's staff could calibrate the relationship between an agency's incentives and the nature of its evaluation.

Let us now turn to the NIE's and NSSM 1 and examine the products themselves. We have chosen three NIE's which serve as representative samples of the character of NIE judgments during the war. The first is an NIE submitted on May 24, 1964, when the United States Government was considering the possibility of bombing North Vietnam. This NIE evaluated the likely reaction of the Hanoi Government to American raids on the North. The second NIE was written in December, 1965 and provided an assessment of the effects of the proposed destruction of POL storage facilities in the North. Dated February 4, 1966, the final NIE evaluated how an expanded ROLLING THUNDER campaign would affect North Vietnam's physical capabilities to support the war in the South. There are some difficulties in making a direct comparison between NIE's and NSSM's. First, NIE's were designed to present a President with the intelligence community's predictions of future developments in a specific area over a period of several years. Thus, Johnson's use of NIE's to estimate likely foreign reactions and likely effects of a proposed course of military action was atypical of the NIE's originally intended purpose. Second, the NIE's which are available advanced judgments on projected operations rather than making an evaluation of existing operations as did NSSM 1. Nevertheless, the fundamental character of the NIE evaluation is reflected in its opinions, whatever subject it may treat, and the NIE's we have selected serve the purpose of this section.

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Because NIE's were meant to be read by high-level policy-makers, they were designed to be concise statements of judgment rather than detailed and substantiated analyses. Whatever research has gone into the estimate is deleted from the final product. Thus, the NIE's share the common quality of offering broad interpretations without providing closely reasoned analysis in support of those interpretations. The May 24, 1964 NIE, for example, explored the question of Hanoi's response to U.S. bombing raids. In doing so, it did not examine domestic political influences on the North Vietnamese Government nor did it evaluate the Soviet and Chinese relationship to Hanoi. For the most part, it referred to Communists and Communism as a unitary force. In the December, 1965 NIE a statement read: "Present Communist policy is to continue to prosecute the war vigorously in the South." This comment actually referred to the North Vietnamese Government, yet the implied assumption is clear.

Because an NIE must accommodate the opinions of a number of agencies, its tendency is to present "watered down" opinions. Rather than advancing a definite judgment the May, 1964 NIE qualified its assessment, using tentative language. It read, in part:

> We incline to the view that DRV leaders would lower their terms for a negotiated outcome . . . There would nevertheless be a significant danger that they would fight. . . .[36]

The NIE's of December, 1965 and February 4, 1966 did advance specific opinions. However, their conclusions once again were not substantiated by hard evidence. The NIE of December, 1965 stated:

> It is unlikely that this loss [of POL storage facilities] would cripple the Communist military operations in the South, though it would certainly embarass them.[37]

In commenting on the North Vietnamese ability to provide supply reinforcements, the NIE made the point regarding supply levels but with the same absence of supporting evidence. The NIE said:

> an attempt by the Communists to increase their strength . . . to intensify hostilities . . . or . . . to meet expanded U.S./GVN offensive operations . . . will use up supplies at a higher rate . . . [This] might raise supply requirements to a level beyond the practical ceiling imposed on their logistic capabilities by the bombing campaign . . . There are, however, too many uncertainties to permit estimating at just what level the limit on expansion would be.[38]

[36] *Pentagon Papers*, Volume III, p. 169.
[37] *Pentagon Papers*, Volume IV, pp. 62–63.
[38] *Pentagon Papers*, Volume IV, p. 70.

Whatever the initial conception of the NIE, it seems clear that an intelligence product lacking supporting evidence deprives policy-makers of a basis for evaluating the judgment advanced and limits the document's informational and, in broad terms, educational value.

For each example of the weakness and vagueness of NIE evaluations there are equally weak and poorly substantiated NSSM 1 answers. However, NSSM 1 also produced—and this is precisely the point—highly analytic and specific assessments. On Question 2, for example, it is true that Embassy Saigon simplistically adhered to the domino theory in evaluating the impact of a Communist victory in South Vietnam on other countries in Southeast Asia. Yet on the same subject OSD offered a careful scrutiny of multiple causal factors impinging on the potential threat of Communism in Southeast Asia. Citing both domestic and international influences, OSD presented as comprehensive an evaluation as any policy-maker could hope for. The pacification question produced wide-ranging answers as well. For this problem, the choice of measurement criteria was critical in determining the quality and character of each agency's response. Although the Hamlet Evaluation System statistics had been discredited, COMUSMACV employed them as evidence of progress in the pacification program. INR, among others, pointed out HES' wide margin of error and the fallibility of conclusions based on those figures.

A variance of views was characteristic of the responses to each of the twenty-eight NSSM 1 questions. How policy-makers accounted for and judged the answers is unknown. However, their categorization of the replies is known. Soon after the agencies offered their responses, the NSC staff drafted a summary memorandum which was accepted by all the respondents as a fair statement of the areas of agreement and disagreement. Reviewing the answers to each of the questions, the memorandum emphasized the sharp differences of opinion among agencies. Noting that agency alignments tended to fall into two groups, the summary said:

> The first school, which we will call Group A usually includes MACV, CINCPAC, JCS and Embassy Saigon, and takes a hopeful view of current and future prospects in Vietnam within the parameters mentioned. The second school, Group B, usually includes OSD, CIA, and (to a lesser extent) State and is decidedly more skeptical about the present and pessimistic about the future. There are, of course, disagreements within agencies across the board or on specific issues.

As an illustration, these schools line up as follows on some of the broader questions:

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In explaining reduced enemy military presence and activities, Group A gives greater relative weight to allied military pressure, than does Group B.

The improvements in RVNAF are considered much more significant by Group A than Group B.

Group A underlines advancements in the pacification program, while Group B is skeptical both of the evaluation system used to measure progress and of the solidity of recent advances.

In looking at the political scene, Group A accents recent improvements while Group B highlights remaining obstacles and the relative strength of the NLF.

Group A assigns much greater effectiveness to bombing in Vietnam and Laos than Group B.[39]

The alignments could be identified because agency opinions were submitted individually rather than being submerged in a single judgment as was the case with NIE's. The anonymity afforded by the NIE insured a kind of unaccountability, while the NSSM 1 put each agency on the line. Preparation of the summary memorandum sharpened perceptions of agency differences for Kissinger and his staff and provided the respondents themselves with a perspective on the internal divisions. In addition, because the initiative for the NSSM process rested with the Executive Branch, their interest and attention to the replies were virtually assured.[40] NIE's, on the other hand, are generated from the depths of the bureaucracy, and the subject matter is a reflection of the bureaucracy's existing concerns, not policy-makers'. Thus, the likelihood that policy-makers read and contemplate NIE's on a regular basis is slim.

While separate NSSM replies made it easier to uncover differences and generally led agencies to come down more specifically on one side or another of a given issue, the cause for the differences could not be wholly attributed to "better" or "less good" analysis. Instead, the answers were a reflection of individual agency interests and the organizational imperatives operating within each agency. The responses divided the agencies along the lines of those who had a stake in continuation and successful prosecution of the war, and those agencies which did not and had lost faith in the prospect of bringing it to a successful conclusion.

The divergence of views between the OSD-CIA-INR group and the COMUSMACV-CINCPAC-JCS Group is acknowledged in a summary memorandum which said:

It is noteworthy that the gap in views that does exist is largely one between the policy-makers, the analysts and the intelligence community on the one hand, and the civilians and military operations on the other.

The policy implications of the disagreements could hardly be more divergent. One view sees a high probability of GVN success and generally applauds the GVN's performance. It finds that the GVN has been ineffective at times, but that it has not been negligent, and overall progress has been most satisfactory. The policy implications of this view are more of the same, gradual U.S. pressure and wholehearted U.S. support.

The other view leads in a radically different policy. The GVN has failed in the countryside. The rural population situation has not changed significantly and certainly not at a rate which will free us of noticeable burdens within 2–5 years. We may even be overextended in the rural areas and open to a damaging VC counter-attack. The implied policy recommendations would call for voicing considerable displeasure at the GVN's rural performance, establishing realistic rural goals for the GVN; penalizing the GVN if these goals are not achieved, and devoting a great effort to promoting a GVN/VC rural political accommodation on for example, a district or village basis.[41]

JCS, CINCPAC, and COMUSMACV in reporting on their own operations were compelled to argue that the war was progressing in those areas for which they held responsibility—pacification, Vietnamization, and in an earlier period, the bombing. Likewise, to insure their continued presence in Vietnam, they had to recommend maintaining American military assistance to the RVNAF and resuming the interdiction campaign. The military could not afford to lose the war by precipitate withdrawal. Success or failure would be a direct reflection of their own efforts. OSD, CIA and INR, on the other hand, were free of direct operational responsibility in the war and thus could make their assessments independent of past, present, or future stakes in its outcome. Nonetheless, in large part their replies to NSSM 1 were conditioned by their participation in earlier evaluations of the war. This is particularly true of OSD and CIA. Both had an established role as evaluators; both had developed reliable techniques and familiar sources of information for assessing war-related problems; and both had been critical of escalation and continued American involvement in the war. Their replies to NSSM 1 were a product of these influences.

[39] *Record*, p. 16750.

[40] It is well to note that, as the NSSM process evolved later in the Nixon Administration, NSSM responses did not receive the close consideration of policy-makers. Some participants on the agency side have even said that later NSSM's advanced joint agency responses.

[41] *Record*, p. 16753.

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On balance, NSSM 1 was superior to the NIE's as a method of generating information. It provided policy-makers with a broader range of opinions and more specific assessments. In addition, it eliminated the "lowest common denominator" phenomenon characteristic of unified assessments, which was apparent in the ambivalent judgment of the May, 1964 NIE. In large part, the strength of NSSM 1 was that it revealed agency differences. Yet NSSM 1 also demonstrated the difficulty of getting objective estimates. Whatever the relative quality of the separate agency evaluations, each was a reflection of organizational stakes, biases, and preferences for outcomes. Although policy-makers were made aware of agency differences, they were still left with the difficult task of evaluating competing agency judgments and formulating their own "objective" conclusions.

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Original Twenty-eight NSSM 1 Questions [1]

ENVIRONMENT OF NEGOTIATIONS

1. Why is the DRV in Paris? What is the evidence? (Among the hypotheses:

i. Out of weakness, to accept a face-saving formula for defeat;

ii. To negotiate the withdrawal of U.S. (and NVA) force, and/or a compromise political settlement, giving a chance for NLF victory in the South;

iii. To give the U.S. a face-saving way to withdraw;

iv. To undermine the GVN and U.S./GVN relations, and to relieve U.S. military pressure in both North and South Vietnam;

v. Out of desire to end the losses and costs of the war on the best terms available.)

2. What is the nature of evidence, and how adequate is it, underlying competing views (as in the most recent NIE on this subject, with its dissenting footnotes) of the impact of various outcomes in Vietnam within Southeast Asia?

3. How soundly-based is the common belief that Hanoi is under active pressure with respect to the Paris negotiations from Moscow (for) and Peking (against)? Is it clear that either Moscow or Peking believe they have, or are willing to use, significant leverage on Hanoi's policies? What is the nature of evidence, other than public or private official statements?

4. How sound is our knowledge of the existence and significance of stable "Moscow" and "Peking" factions within the Hanoi leadership, as distinct, for example, from shifting factions, all of whom recognize the need to balance off both allies? How much do we know, in general, of intraparty disputes and personalities within Hanoi?

5. What is the evidence supporting various hypotheses, and the overall adequacy of evidence, relating to the following questions:

a. Why did NVA units leave South Vietnam last summer and fall?

b. Did the predicted "third-wave offensive" by the NVA/VC actually take place? If so, why did it not achieve greater success?

c. Why are VC guerrillas and local forces not relatively dormant?

(Among the hypotheses:

i. response to VC/NVA battle losses, forcing withdrawal or passivity;

ii. to put diplomatic pressure on U.S. to move to substantive talks in Paris;

iii. to prepare for future operations; and/or

iv. pressure of U.S. and allied operations.)

6. What rate of NVA/VC attrition would outrun their ability to replenish by infiltration and recruitment, as currently calculated? Do present operations achieve this? If not, what force levels and other conditions would be necessary? Is there any evidence they are concerned about continuing heavy losses?

7. To what relative extent do the U.S./RVNAF and the NVA/VC share in the *control* and the rate of VC/NVA attrition; i.e., to what extent, in terms of our tactical experience, can heavy losses persistently be imposed on VC/NVA forces, despite their possible intention to limit casualties by avoiding contact?

(Among the hypotheses:

i. Contact is predominantly at VC tactical initiative, and we cannot reverse this; VC need suffer high casualties only so long as they are willing to accept them, in seeking contact; or

ii. Current VC/NVA loss rates can be maintained by present forces—as increased X% by Y additional forces—whatever the DRV/VC choose to do, short of further major withdrawal.)

8. What controversies persist on the estimate of VC Order of Battle; in particular, on the various categories of guerrilla forces and infrastructure? On the VC recruiting, and manpower pool? What is the evidence for different estimates, and what is the overall adequacy of evidence?

9. What are NVA/VC *capabilities* for launching a large-scale offensive, with "dramatic" results (even if taking high casualties and without holding objec-

[1]Taken from *Record*, pp. 16749–16750.

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tives long), in the next six months? (e.g. an offensive against one or more cities, or against most newly "pacified" hamlets.) How adequate is the evidence?

10. What are the main channels for military supplies for the NVA/VC forces in SVN, (e.g. Cambodia and/or the Laotian panhandle)? What portion of these supplies come in through Sihanoukville?

What differences of opinion exist concerning extent of RVNAF improvement and what is evidence underlying different views? (e.g. compare recent CIA memo with MACV views). For example:

a. Which is the level of effective, mobile, offensive operations? What results are they achieving?

b. What is the actual level of "genuine" small-unit action in ARVN, RF and PF; i.e. actions that would typically be classed as such within the U.S. Army, and in particular, offensive ambushes and patrols? How much has this changed?

c. How much has the officer selection and promotion system, and the quality of leadership, actually changed over the years (as distinct from changes in paper "programs")? How many junior officers hold commissions (in particular, battlefield commissions from NCO rank) despite lack of a high school diploma?

d. What known disciplinary action has resulted from ARVN looting of civilians in the past year (for example, the widespread looting that took place last spring)?

e. To what extent have past "anti-desertion" decrees and efforts lessened rate of desertion; why has the rate recently been increasing to new highs?

f. What success are the RF and PF having in providing local security and reducing VC control and influence in rural populations?

11. To what extent could RVNAF—as it is now handle the VC (Main Force, local forces, guerrillas), with or without U.S. combat support to fill RVNAF deficiencies, if all NVA units were withdrawn;

a. If VC still had Northern filters;

b. If all Northerners (but not regroupees) were withdrawn?

12. To what extent could RVNAF—as it is now—also handle a sizable level of NVA forces:

a. With U.S. air and artillery support;

b. With above and also U.S. ground forces in reserve;

c. Without U.S. direct support, but with increased RVNAF artillery and air capacity?

13. What, in various views, are the required changes—in RVNAF command, organization, equipment, training and incentives, in political environment, in logistical support, in U.S. modes of influence—for making RVNAF *adequate* to the tasks cited in questions 9 and 10 above? How long would this take? What are the practical obstacles to these changes, and what new U.S. moves would be needed to overcome these?

Pacification

14. How much, and where, has the security situation and the balance of influence between the VC and GVN actually changed in the countryside over time, contrasting the present to such benchmarks as end-61, end-63, end-65, end-67? What are the best indicators of such change, or lack of it? What factors have been mainly responsible for such change as has occurred? Why has there not been more?

15. What are the reasons for expecting more change in the countryside in the next two years than in past intervals? What are the reasons for not expecting more? What changes in RVNAF, GVN, U.S. and VC practices and adaptiveness would be needed to increase favorable change in security and control? How likely are such changes, individually and together, what are the obstacles?

16. What proportion of the rural population must be regarded as "subject to significant VC presence and influence?" (How should hamlets rated as "C" in the Hamlet Evaluation System—the largest category—be regarded in this respect?) In particular, what proportion in the provinces surrounding Saigon? How much has this changed?

17. What number or verified numbers of the Communist political apparatus (i.e. People's Revolutionary Party members, the hardcore "infrastructure") have been arrested or killed in the past year? How many of these were cadre or higher than village level? What proportion do these represent of total PRP membership, and how much—and how long—had the apparatus been disrupted?

18. What are the reasons for believing that current and future efforts at "rooting out" hardcore infrastructure will be—or will not be—more successful than past efforts? For example, for believing that collaboration among the numerous Vietnamese intelligence agencies will be markedly more thorough than in the past? What are the side-effects, e.g. on Vietnamese opinion, of anti-infrastructure campaigns such as the current "accelerated effort," along with their lasting effect on hardcore apparatus?

19. How adequate is our information on the overall scale and incidence of damage to civilians by air and artillery, and looting and misbehavior by RVNAF?

20. To what extent do recent changes in command and administration affecting the countryside

represent moves to improve competence, as distance from replacement of one clique by another? What is the basis of judgment? What is the impact of the recent removal of minority-group province and district officials (Hoa Hao, Cao Dai, Montagnard) in their respective areas?

Politics

21. *How adequate is our information,* and what is it based upon, concerning:

a. Attitudes of Vietnamese elites not now closely aligned with GVN (e.g. religious leaders, professors, youth leaders, professionals, union leaders, village notables) towards: Participation —if offered—in the GVN, the current legitimacy and acceptability of the GVN; likewise (given "peace") for the NLF or various "neutralist" coalitions; towards U.S. intent, as they interpret it (e.g. U.S. plans for ending the war, perceived U.S. alignments with particular individuals and forces within Vietnam, U.S. concern for various Vietnamese interests).

b. Patterns of existent political alignments within GVN RVNAF and outside it—reflecting family ties, corruption, officers' class, secret organizations and parties, religious and regional background—as these bear upon behavior with respect to the war, the NLF, reform and broadening of the GVN, and responses to U.S. influence and intervention.

22. What is the evidence on the prospects—and on what changes in conditions and U.S. policies would increase or decrease them—for changes in the GVN toward: (a) broadening of the government to include participation of all significant non-Communist regional and religious groupings (at province and district levels, as well as cabinet); (b) stronger emphasis, in selections and promotion of officers and officials, on competence and performance (as in the Communist Vietnamese system) as distinct from considerations of family, corruption, and social (e.g. educational) background, and support of the GVN, as evidenced, e.g. by reduced desertion, by willing alignment of religious, provincial and other leaders with the GVN, by the wide cooperation with anti-corruption and pro-efficiency drives.

23. How critical, in various views, is each of the changes in question 22 above to prospects of attaining—at current, reduced or increased levels of U.S. military effort—either "victory" or a strong non-Communist political role after a compromise settlement of hostilities? What are views of the risks attendant to making these changes, or attempting them; and, to the extent that U.S. influence is required, on U.S. practical ability to move prudently and effectively in this direction? What is the evidence?

U.S. Operations

24. How do military deployment and tactics today differ from those of 6–12 months ago? What are reasons for changes, and what has this impact been?

25. In what different ways (including innovations in organization) might U.S. force levels be reduced to various levels, while minimizing impact on combat capability?

26. What is the evidence on the scale of effect of B-52 attacks in producing VC/NVA casualties? In disrupting VC/NVA operations? How valid are estimates of overall effect?

27. What effect is the Laotian interdiction bombing having:

a. In reducing the capacity of the enemy logistic system;

b. In destroying material in transit?

28. With regard to the bombing of North Vietnam:

a. What evidence was there on the significance of the principal strains imposed on the DRV (e.g. in economic disruption, extra manpower demands, transportation blockages, population morale)?

b. What was the level of logistical throughput through the Southern province of NVN just prior to the November bombing halt? To what extent did this level reflect the results of the U.S. bombing campaign?

c. To what extent did Chinese and Soviet aid relieve pressure on Hanoi?

d. What are current views on the proportion of war-essential imports that could come into NVN over the rail or road lines from China, even if all imports by sea were denied and a strong effort even made to interdict ground transport? What is the evidence?

e. What action has the DRV taken to reduce the vulnerability and importance of Hanoi as a population and economic center (e.g. through population evacuation and economic dispersal)?

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Conclusions And Recommendations

The three cases presented in this summary, together with the case on Chemical Agents in Vietnam, 1962–1967 in Part V, cover an array of problems that arise in the conduct of military operations and identify the impact of organizational factors on each. Most structural issues focus on intra-service and inter-service matters; some touch on civilian-military relationships; others on methods of monitoring and evaluating performance. The major structural issue is one of creating mechanisms that appropriately balance the array of interests that must be weighed in making decisions about the conduct of military operations. Closely related is the matter of providing policy-makers with accurate, objective information on the course of military operations once begun. The following organizational recommendations are presented for consideration by the Commission. They primarily address the problems we identified in the introduction, namely: contingency plans, advice, implementation, and assessment.

I. CREATION OF A COMMISSION OF INQUIRY ON THE CONDUCT OF THE VIETNAM WAR

The United States' prolonged and inconclusive experience in Vietnam and the resulting national division have caused both the public and policy-makers to view the war as an experience best forgotten. Since the American withdrawal, most Americans have done their best to escape thinking about what has come to be regarded as a blot on the otherwise proud history of the country. This attitude is wrong. As the statement of General Westmoreland's with which we began insists:

> Let's have no witch-hunt, but let's not sweep under the rug. If we are introspective, analyze our mistakes, and heed in the future the lessons to be learned, we can emerge a stronger nation.

It is precisely because of the deficiencies of the American effort in Vietnam that a serious, comprehensive review of the conduct of war would be useful.

Startling as this recommendation may seem, precedents for such action do exist. Investigations followed the Pearl Harbor attack and General MacArthur's forays in Korea. More recently, the Israeli Government established a commission to investigate the causes for Israel's humiliating defeat in the Yom Kippur War. As a source of insight into the strengths and weaknesses of our current capabilities for military operations, Vietnam should be invaluable. To pretend that it never happened or to bury its details is to deny policy-makers a wealth of information on the problems of conducting military operations.

The establishment of such a Commission is not likely, since it does offer the prospect of blame for all—military and civilian, President and Congress, "President's men," and even public. It holds the potential of discrediting decisions and conduct all around. Ultimately, it could challenge the very nature of some of our organizations and many of our procedures. But there is a real need for an examination of the conduct of the war and of our procedures for making decisions about the conduct of war.

II. CREATION OF AN OFFICE AND STAFF FOR INDEPENDENT ANALYSIS OF MILITARY OPERATIONS WITHIN OSD

This recommendation has been made convincingly by Alain C. Enthoven and K. Wayne Smith in their book, *How Much is Enough? Shaping the Defense Program, 1961–1969.* Their arguments are well taken and reflect keen observation of the President's and Secretary of Defense's difficulties in obtaining impartial evaluations of the war. The existing system includes no mechanism for analysis either of allocation of resources in war or of the effectiveness of alternative military operations. An

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office similar to the Systems Analysis division should be established to provide information on these issues.[1] To minimize civilian-military antagonism and to bring some military perspectives to these problems, the office should include members of the services. Rather than limiting itself to cost-benefit analysis as was the case with Systems Analysis, this office should also engage in "implementation analysis."

There are several distinct, though related, tasks to be performed by this office. The first involves anticipating situations in which the U.S. might wish to conduct operations, determining who would perform those operations, and projecting how their existing capabilities and plans would fit with the requirements of the scenario. Civilians involved in the early decisions on Vietnam neglected these considerations mostly from ignorance When policy-makers decided on "Army ground operations," they did not recognize that the most likely strategy to follow from pushing that button was attrition through large-unit search and destroy operations. Thus, one purpose of the proposed office of military operations analysis must be to better inform civilians of the military's existing repertoire. Knowledge and awareness of service preferences and of the degree of flexibility within specific plans are crucial for civilians to exercise intelligent judgments.

A second task for this office is implementation analysis, which requires a more operational orientation. Once a military objective has been chosen, it becomes essential to determine in specific terms what kind of operation is required and which group should perform it. More importantly, judgments should be available about the suitability of a designated unit to the requirements of the operation and about methods that could be employed to insure the operation's execution as conceived. It is not enough that a national decision be made on a course of military action. Procedures for implementing the operation must be scrutinized to prevent reliance on SOP's that may be dysfunctional to the task at hand.

A third responsibility for the operations analysis unit should be analysis and assessment of ongoing military operations. NSSM 1 revealed wide discrepancies both in agency judgments and in agency criteria of evaluation. An operations analysis unit would be less susceptible to the interpretive biases of agencies that have their own stakes in specific outcomes and could evaluate with some measure of detachment how well various agents were performing *vis à vis* U.S. objectives. Assertions regarding the effectiveness of chemical weapons originated with Army field officers whose responsibility for such assessments meant that they were evaluating their own performances, and therefore could hardly provide objective opinions. Likewise, a situation like that which developed in the South, whereby COMUSMACV repeatedly indicated that U.S. objectives were being met but required an increase in deployments might be avoided. In addition, the analysis unit could evaluate the appropriateness of measurement criteria being employed by agencies. Some of the distortions created by the Hamlet Evaluation System and by Systems Analysis' bomb damage assessment criteria might thereby be avoided. Had these measurement criteria been monitored and evaluated early on, some incentive for change might have developed.

The availability of quality analysis in Vietnam might have made policy-makers appreciate sooner the deficiencies of our strategy. The Systems Analysis Office eventually contributed to an understanding of these problems. However, their studies came late in the war. Had the information been available earlier and had it originated from an office whose specific purpose was analysis of military operations and implementation (rather than from one which had other priorities), perceptions and actions might have been different.

The major drawback of this recommendation is the certainty of deep suspicion of and opposition to such an office by the military services.

III. CREATION OF A MECHANISM FOR REVIEWING AND REVISING CONTINGENCY PLANS

As we have discussed earlier, contingency plans are deeply embedded in the organizational structure of the services and because of this, cannot be easily modified. Any change in official contingency arrangements would require corresponding changes in the structure and doctrine of the services. Given that contingency plans affect the actions taken and that actions taken have an effect on goals —economic and political as well as military—people concerned with foreign policy should be involved in contingency planning.

The specific mechanism for achieving a broader range of inputs is difficult to determine. Henry Kissinger's development of the Washington Special Action Group (WSAG), a subcommittee of the NSC, has provided in times of crisis a forum for military, intelligence, and diplomatic evaluations of the use of forces. Although WSAG makes possible the introduction of a broader ranger of considerations, it cannot alter the capabilities of operators, whatever its own preferences for specific operations. The Defense Policy Review Committee (DPRC), if allowed to fulfill its original purpose, could meet the same need over long-term periods

[1]Enthoven and Smith, *op. cit.*, pp. 307 and 314.

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by supervising decisions on the size of the Defense budget and on major Defense programs. The DPRC's leverage lies with its potential for budget authority, and the budget remains the only certain means of influence and control over military planning. Contingency plans are closely guarded by the military, who limit access even to high-ranking civilians. Some means must be found to get more balanced review, revision, and design of contingency plans. The budget via the DPRC could provide this means.

IV. INTEGRATING AN OPERATIONAL ANALYSIS CAPABILITY INTO THE COMMAND STRUCTURE [2]

The field commanders as well as the Defense Secretary and the President need operations analysis of the conduct of war. Evaluating numerical data, obtaining day-to-day assessments, and determining deployment needs are all purposes to be served by an operational analysis unit attached to the field commanders. Such a unit could evaluate performance and judge progress in the attainment of desired goals. In Vietnam little empirical data or evidence was made available to the field commander to enable him to test or support his preferences for an attrition strategy through large-unit search and destroy operations.

The real utility of an operations analysis unit would be to encourage information flow and through that to create incentives for altering or modifying existing battle plans to fit specific needs. Clearly, this unit could not expect to revise the overall strategy of a given set of operations, which will have been already fixed in the organization and deployment of military forces. The unit could, however, prompt careful examination of that strategy as it is implemented and could thereby provide hard evidence on its success or failure for use in future planning. For more immediate application and benefit, some modifications in tactics may be possible in the field as data are collected and analyzed.

An effective operations analysis organization must be integrated into the command structure working with and accepted by all other command units. In this sense, it must contribute (and be perceived to contribute) to the conduct of the military effort rather than challenging it, as was too often the case with Systems Analysis. In order to maintain the integrity of the operations analysis unit's findings, its director should report directly to the military commander. The existence of any intervening authority would introduce the potential for distortion in the communication of the analysis. Quality of analysis also demands that the organization have its own field representatives, gathering data and relaying it through their own channels. Finally, to create positive incentives for the analysis unit and to prod field commanders into acting on its recommendations, the organization must be tied into operational decision-making. In this way, a pattern of data gathering, analysis, conclusions, decisions, and dissemination of orders for new operating doctrines will develop and will build in a mechanism for improving performance and efficiency.

[2]This recommendation has been made by Enthoven and Smith, *op. cit.*, p. 291.

V. USE OF AN NSC-BASED DEVICE FOR REVEALING RATHER THAN SUPPRESSING DIFFERENCES IN ASSESSMENTS

Assessments of ongoing operations are both difficult to obtain and highly subject to the organizational biases of the reporting agencies. A unified judgment on the part of several agencies affords policy-makers only a single assessment and is primarily a product of compromise rather than of hard analysis. Because the assessment is arrived at through a group arrangement, the content has to satisfy the preferences of each of the participating agencies. For this reason, the assessment will have to be "watered down" and its quality and specificity will be compromised proportionately, while differences among agencies will be suppressed.

Yet a large part of the problem for the Secretary of Defense and the President is to identify disagreements among agencies and determine the basis for disagreements. The NSC system introduced in 1969, and more specifically NSSM 1, served those functions well. The problem of deciding among competing judgments and drawing conclusions remains. Nonetheless, NSSM 1 clearly identified the differences among agency answers to the basic questions about the U.S. effort in Vietnam.

VI. ELIMINATION OF "SHORT TOUR" AND MULTIPLE ASSIGNMENTS

One reason the military did not learn more as it gained more experience in Vietnam was that the one-year tour limited the experience of individuals. Short tours were aimed at providing combat experience for as many military personnel as possible, thereby giving them opportunities for promotion, and maintaining morale by limiting each individual's liability. The costs of this system for learning about what could work were high. In addi-

tion to the short duration of their tours, men were often given multiple assignments within that year, further limiting their opportunity to learn.

In South Vietnam, both the U.S. Army and ARVN would have benefitted had there been more continuity in U.S. military personnel. The ARVN would have had more confidence in their American advisors and perhaps have been more receptive to their recommendations. Americans would have gained more understanding of the South Vietnamese and could have been more effective in their contacts.

The issue illustrates the need to be attentive to the nature of particular assignments, recognizing that some, if not most, call for a continuing group of personnel. While frequency of rotation is both essential and desirable at some level, it should be gauged to the demands of specific operations. Contact with foreign personnel is one area where continuity can contribute to the quality of coordination. Longer combat assignments allow operators to observe and assess the relative success of particular tactics and strategies after they have mastered the required techniques.

VII. CONSIDERATION OF REORGANIZATION OF THE PROCEDURES FOR MILITARY ADVICE TO THE PRESIDENT

The issue of the reorganization of the procedures for military advice is a difficult one, which touches on the prerogatives of the Joint Chiefs of Staff and the institutional hierarchy of the command structure. However, it is clear that current procedures limit the range of advice available to the President and discourage consideration of alternative strategies. The Blue Ribbon Defense Panel (the Fitzhugh Panel) called for changes in the existing arrangements.[3] These recommendations merit reconsideration by the Commission, and we will review and comment on them here.

The procedures for developing a JCS position on a given issue create pressure for compromise. Because the formulation of policy originates with lower-ranking action officers and must accommodate the views of the Joint Staff Agencies, planners in the Joint Staff, and each of the services, the result is a policy with an emphasis on military unanimity. The action officer is under constraint to advance a position that will not antagonize his own service or any other service. Thus, he formulates his recommendation with an eye to the broadest possible acceptance. All of this limits the range of considerations at each succeeding level—with the ultimate goal unanimity among the Chiefs. The JCS desire to present the President with a unified judgment in order to insure its acceptance, in turn, results in outright bargaining among the services as each Chief agrees to endorse the proposals of the other in return for the same support.

The Chiefs' intimate tie to their respective services and the bargaining that accompanies and shapes every decision compromises the Chiefs' function as the senior military advisors to the President. To disengage the Chiefs from their service advocacy role requires a redefinition of the relationships in the JCS system. One method, suggested by the Fitzhugh Panel, might be to separate the Chiefs from their service responsibilities. The Joint Chiefs would serve purely as a military advisory staff with no operational authority within the services.

With similar objectives in mind, Morton Halperin has made a somewhat different suggestion.[4] He recommends that the Chairman of the Joint Chiefs and the Joint Staff function as a group separate from the service Chiefs. Under this system, the President and the Secretary of Defense would solicit separate views from each of the service Chiefs and from the Chairman of the Joint Chiefs and when appropriate, from the relevant unified and specified commanders. The Chairman would serve as officer in the line of command through the President and the Secretary of Defense to the commanders in the field (bypassing the service Chiefs).

This organizational arrangement would allow opposing views to surface for consideration by the President and the Secretary of Defense. Thus, the Chairman of the Joint Chiefs and his Joint Staff would be left free to serve as advisors to the President and the Secretary rather than as advocates and "logrollers" for service preferences as they do under the existing structure. Hopefully, the Chairman of the JCS and the Joint Staff would become adjuncts to OSD, providing the Secretary of Defense and the President with advice that could be considered in addition to the advice of the service Chiefs and the unified and specified commanders. The procedure might also allow the President some freedom in accepting or rejecting military advice. The present system, by virtue of the unanimity of JCS opinions, leaves the President bound to either accept the military's recommendations or develop an alternative plan. The likelihood of the latter is, of course, very slim as evidenced by the Vietnam experience.

[3]See The Blue Ribbon Defense Panel, *Report to the President and the Secretary of Defense on the Department of Defense*, July 1970, Appendix.

[4]Morton H. Halperin, "The Role of the Military in the Formulation and Execution of National Security Policy," University Programs Modular Studies, 1974.

Part VII: Limiting Exports on National Security Grounds

BY ROBERT E. KLITGAARD, ASSISTED BY RICHARD HUFF

Introduction*

The economic value of computers is recognized by Secretary Brezhnev (who wants to import them) and by Chairman Watson (who wants to impart them). But some data processing equipment may also have negative national security implications undervalued by private sellers pursuing profit. Alternatively, such trade may have positive political ramifications neglected by the forces of the private economic market. For these reasons, U.S. policy on East-West trade has consisted of both constraints and inducements. On the one hand, U.S. export controls have banned the sale of certain "strategic" goods to Communist countries[1] on national security grounds. On the other hand, the U.S. has entered into various agreements to encourage trade between the U.S. and U.S.S.R., even subsidizing certain forms of trade.

Products that contribute to Soviet military potential pose the most difficult problem. Obviously, the U.S. should not sell a military competitor items that would give the competitor a significant military advantage. But identifying those items which might do so is not easy. Moreover, trade in goods that may make an insignificant contribution to Soviet military strength also brings economic and political benefits to the U.S.—benefits that may outweigh the slight security risks involved. Thus, the policy problem is to structure and manage the trade-off between our gains from trade and the adverse implications of their gains: a problem briefly stated, yet difficult to specify. Export control policy is instructive precisely because its twenty-five year history of justifications and decisions sheds light on how policies involving trade-offs between national security, economics, and international politics have been analyzed (and misanalyzed) and managed (and mismanaged).

At a time of rapidly expanding trade between Western countries and countries of the "Bloc," the rationale for export controls has been called into question. Should the U.S. attempt to perpetuate the quarter-century-old system of multilateral export restrictions? Does it make sense to ban the sale of certain commodities to Communist countries, while making strenuous efforts to expand the sale of others? If it does, by what criteria should the list of embargoed goods be chosen, and by what procedures should which organizations administer the ban?

Critics of current American policy and procedures for controlling exports disagree about the objectives of U.S. export controls, the effectiveness of alternative mechanisms, and even the likely future of East-West trade. But critics of all stripes, as well as many officials now administering export controls, agree on one thing: *current policy and procedures for export controls are in a shambles.* Indeed, some officials insist that current U.S. export controls constitute "the worst of all possible arrangements."

The ineffectiveness of current policy and procedures is exhibited in five related developments: (1) the absence of a coherent rationale for banning exports to Communist countries; (2) the leakiness of the system for multilateral embargo of selected goods; (3) the likelihood of total collapse of this multilateral system in the near future; (4) the failure to recognize radical changes in the economic environment since the days when multilateral embargoes were conceived; and (5) the perpetuation of increasingly obsolete organizational arrangements for administering American export controls.

First, *the absence of a coherent rationale for embargoing selected exports to the Soviet Union* reflects not only the inherent difficulty of the intellectual problem but even more, the character of the U.S. Government's response to this problem.

The major study of export control policy concludes:

> But nowhere in the discussions, or in the scant literature dealing with these actions, is it possible to find a consistent and rational argument at-

*The case study summarized in Part VII was prepared for the Commission on the Organization of the Government for the Conduct of Foreign Policy. The study, "Trade With An Adversary: Some Analytical and Organizational Aspects," was prepared by Robert E. Klitgaard. It is available in the "Background Volume on Controlling Exports." The summary analyst is grateful to Dana I. Robinson and Gerald D. Sullivan for comments and suggestions.

[1]Defined as Albania, Bulgaria, Cambodia, Czechoslovakia, East Germany, Hungary, North Korea, North Vietnam, Outer Mongolia, People's Republic of China, Poland, Rumania, South Vietnam, and the Soviet Union. Hereafter we will often simplify the problem by focusing on the issue of U.S. exports to its principal military competitor, the U.S.S.R.

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tempting to show what the embargo should or, with some degree of probability, could accomplish.[2]

Pointing to the lack of coherent guidelines for export controls, the present Director of Defense Research and Engineering, Malcolm Currie, recently stated:

I believe this is an issue of national importance. We need clarification of our national policy, and I will work toward that end.[3]

As one Defense Department official interviewed for this study put it: the agencies have often asked the White House for "the precise criteria U.S. departments and agencies should use in implementing the Export Administration Act of 1969." But the White House has issued none.

Other things being equal, free trade between the United States and the Soviet Union would be desirable. Since each would sell the other goods that it had a comparative advantage in producing, both would end up with larger bundles of goods—both nations being better off because of what economists call the "gains from trade." But from the outset of the Cold War, it has been recognized that other things are not equal in trade between the U.S. and the Communist Bloc. Arguments for limiting free trade come in three stripes: (1) military, (2) economic, and (3) political.

Because the Soviet Union is the United States' military competitor and potential adversary in war, the U.S. is rightly concerned about Soviet military strength. Consequently, the U.S. has sought to restrict sales to the Soviet Union of products that enhance Soviet military capability. The Battle Act (the Mutual Defense Assistance Control Act of 1951) prohibits the export of implements of war, atomic energy materials, and other strategic commodities to Communist countries. In addition, the Export Control Act of 1949 authorizes the President to "prohibit or curtail" all commercial exports that threaten U.S. national security. The central concern of these laws is certainly right: some products would contribute significantly to Soviet military potential (products that would produce a discontinuous military advantage, for example, computers otherwise unavailable that permit a significant increase in Soviet nuclear warhead accuracy). To prevent the sale of products that would contribute significantly to Soviet military potential, the U.S. embargoed sales of all products that have extensive military use.[4] The issue then became one of identifying products used extensively by the military. Wheat makes bread that can be eaten by soldiers as well as civilians. Trucks carry soldiers as well as cargo. But the U.S. sells wheat and trucks to the Soviet Union. Indeed, most products have dual use. Thus the extent of military use of a product has usually been defined rather mechanically: if the U.S. military uses more than x percent of a product, it is judged to have extensive military use and consequently embargoed. But extent of use is not a good test of the *significance* of a product's contribution to Soviet military potential. This procedure misses some goods that could contribute significantly to Soviet military potential and certainly bans sales of many items that make no significant military difference.

Devising coherent criteria for controlling exports on economic grounds presents even greater difficulties. *Ex hypothesis* (given the parable of gains of trade with which we began), U.S. trade with the Soviet Union helps the Soviet economy. If the Soviet Union buys butter from the U.S. at a price below Soviet costs for producing additional butter, this frees Soviet resources for buying guns. If the Soviets trade wisely, their gain from trade will permit them both more guns and more butter than they could afford without trade. Recognition of this fact, namely that *any* trade frees Soviet resources that can be spent on military goods and thus increases Soviet military strength, led some policymakers in the late 1940's to advocate unconstrained economic warfare against the Soviet Union, banning all trade, and indeed, preventing purchases or sales by third countries by cornering key markets, dumping, etc. In the earliest days of the Cold War, the Export Control Act stated explicitly the intention to prevent exports that contributed significantly not only to Communist military potential but also to Communist countries' *economic potential.* But this ambition was frustrated by two related developments. While U.S. procedures did ban export to the Soviet Union of most commercially desirable products, other nations began selling the goods to the Soviet Union, thus undermining the effect of the U.S. ban. Moreover, the criteria for identifying products that could contribute significantly to Soviet economic potential were difficult to establish. Again, in the language of economic theory, the U.S. should refuse to sell goods (over which it has unilateral control) where there are sharp discontinuities in the Soviet production possibility frontier. But criteria for identifying such goods were never developed as part of the export control process.

With increasing trade between the Soviet Union and third countries in products embargoed by the U.S., many people in the American Government came to see the futility of its embargo. In 1969 Congress eliminated authority for embargoing exports on economic grounds. Instead, the grounds

[2]Gunnar Adler-Karlsson, *Western Economic Warfare, 1947–1967,* (Stockholm: Almqvist and Wiksell, 1968), p. 31.

[3]"Technology Export Policy," *Aviation Week and Space Technology,* January 21, 1974, p. 9.

[4]The domestic political reasons for not selling rifles or bullets to the Soviet Union are also obvious.

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were restricted to "goods that contribute significantly to Soviet *military* potential." Indeed, the aim of the legislation was to stimulate trade between the U.S. and the Soviet Union, and Congress explicitly directed the Commerce Department to stop controlling goods available to Communist countries from non-Communist countries. Secretary Brezhnev and President Nixon proclaimed improved economic relations a keystone of the emerging structure of peace. The Basic Principles of Relations Between the U.S. and the Soviet Union, signed by Nixon and Brezhnev in May, 1972, assert:

> The U.S.A. and the U.S.S.R. regard commercial and economic ties as an important and necessary element in the strengthening of their bilateral relations and thus will actively promote such ties. They will facilitate cooperation between relevant organizations and enterprises of the two countries and the conclusion of appropriate agreements and contracts, including long-term ones.

Following these principles, a Joint Commercial Commission was established to facilitate trade. The U.S.-Soviet Commission on Scientific and Technical Cooperation approved more than 25 programs of joint research in six areas, including computers and magnetohydrodynamics.

In spite of these changes in legislation and Administration policy, many officials who administer export controls have not changed their minds about the link between Soviet economic strength and Soviet military strength. They have been forced to shift their grounds for denying U.S. export licenses: licenses previously denied because of a product's contribution to Soviet economic potential are now rejected because of its contribution to Soviet military potential. Nevertheless, many officials continue trying to prevent any Communist country (except Yugoslavia) from developing an efficient semiconductor industry, the capability to produce calculators and minicomputers, process control, medical, and pharmaceutical equipment. Some specific products of technologies may contribute significantly to Soviet economic growth. The U.S. might want to embargo sales of such products, or to insist on a higher price for the products than that at which individual companies would sell them. Current policy and procedures, however, fail to identify such products and provide no handle for controlling them in a discriminating manner, while procedures still allow officials to ban exports of almost any American good, if they claim that the good contributes significantly to military potential.

A third class of arguments for controlling exports invokes larger foreign policy objectives. Trading with centrally controlled socialist economies poses both dangers and opportunities. On the one hand, individual American companies can be vulnerable to Soviet monopolistic (or monopsonistic) power, as in the wheat deal of 1972. Such actions are not only economically damaging but raise questions about the overall benefits of détente. On the other hand, Secretary of State Kissinger has declared trade a primary instrument of American foreign policy in "building vested interest in the Soviet Union and détente." Orchestration of trade so as to create vested interest in the Soviet Union requires a mechanism for identifying potential interests and regulating U.S. exports so as to build up some groups in the Soviet Union and retard others. Whether the American Government understands enough about the process of vesting interests in the Soviet Union to justify an effort at fine tuning of this sort is open to question. The current mechanisms for export control, however, make difficult even the gross use of specific exports for such foreign policy objectives.

In light of these difficulties in specifying criteria for identifying military, economic, and political costs and benefits of trade, the U.S. Government currently has no coherent rationale for controlling exports on national security grounds. Absent such a rationale, the U.S. Government finds it difficult to persuade allies to maintain a multilateral embargo. The lack of a rationale, plus the capricious application of current laws, forfeits the confidence of American business that would be required for successful export controls. Finally, the absence of a rationale leaves officials engaged in administering export controls wide latitude in both banning and selling almost any item.

A second development contributing to the current shambles is the *leakiness of the present system.* If—for whatever reason—the U.S. Government aims to prevent the Soviet Union from acquiring certain products and technologies (for example, computers with a capacity larger than 10^6 instructions per second), then a mechanism must be established that stops *all* producers of the product—both American and foreign—from selling them to the Soviet Union. It would make no sense for the U.S. to deny the Soviet Union a computer that they could buy directly from the French or the Japanese (unless, of course, the U.S. Government meant to stimulate French and Japanese exports, at Americans' expense). Thus, in the late 1940's, the U.S. created COCOM (the Consultative Group-Coordinating Committee, consisting of the U.S. and its NATO allies, plus Japan, minus Iceland) to control trade with the Communist Bloc on a multilateral basis. The COCOM countries agreed to ban exports to the Bloc of specific products, each country enforcing the ban within its borders by requiring governmental license for trade with the Soviet Union and denying licenses for sales of embargoed items. But for a variety of reasons, most of America's COCOM allies have been much less enthusiastic than the

U.S. Government about limiting exports to the Bloc. Over time, many COCOM countries' procedures for enforcing export controls have become lax. It is difficult to get a solid estimate of the magnitude of trade in items banned by COCOM agreement, but most officials judge it to be large and important. Indeed, it is generally agreed that the Soviet Union can buy multiple copies of any product (with perhaps a handful of exceptions) produced in countries other than the United States. In addition, official COCOM procedures permit "exceptions" and "overrides." Some critics charge that the only reason foreign companies submit requests for exceptions to COCOM is to deflect attention from the much larger extra-COCOM trade. But in 1973 over 1,000 requests for exemptions were received and only 14 denied, representing lost sales of less than $2 million. Even when items are vetoed, members can exercise an override provision when a transaction is judged "essential." France has bolted the COCOM structure more than once to make restricted sales, and England and Japan have threatened to withdraw if particular exceptions were not made. Thus, foreign companies are selling Bloc countries computers, semi-conductors, numerically controlled machine tools, oceanographic and seismographic equipment, and parts for nuclear power plants. Indeed, French and Japanese companies are now selling production equipment for semi-conductors and integrated circuits—while U.S. companies, following COCOM rules, are prevented from selling items that this production equipment will make.

The U.S. has traditionally maintained a larger control list and tighter enforcement procedures than its COCOM partners. Nevertheless, given the attractiveness of the market, the widely acknowledged fact that foreign companies are selling embargoed goods, and the clumsiness of the procedures for administering the embargo, many American companies have found ways to partially circumvent the ban.

Export freight forwarders and export managers can find General License classifications under which to ship almost any item (with the exception of militarily classified goods) to the Soviet Union. A particular component can be interpreted by a manufacturer of missiles to require application to the State Department for a Munitions License; by a manufacturer of pocket calculators as a component used in office machines and freely exported under a General License; or by a semi-conductor manufacturer, who is unsure and yet knows that to obtain an official advisory opinion from the government will take 6–8 months. Moreover, multinational companies, and American companies with foreign subsidiaries, can sell items through foreign subsidiaries rather than run the risk of selling from American factories. As a result, it is generally agreed that the Soviets can get one copy of any item produced by a domestic American company (with a few military exceptions, for example, MINUTEMAN warheads) and multiple copies of any product commercially available.

The effectiveness of the current embargo is therefore very limited. Indeed, its effects seem limited to: (1) stopping sales to the Soviet Union of certain selected items produced only by American companies (a few large obvious items and other selected items produced by American companies which because of extensive Defense contracts are wary of circumventing the COCOM ban); [5] (2) slowing the sales of some other items produced in foreign countries and within the U.S.; (3) shifting sales from American domestic producers to foreign producers and foreign subsidiaries of American or multinational corporations; and (4) providing make-work for large numbers of export licensors and licensees in the U.S. Department of Commerce (at a cost of approximately $50 million to the government) and in corporate export offices (at a cost of over $100 million to the companies).

Third, *there is the prospect of total collapse of the COCOM structure in the near future.* The COCOM list was reduced by forty percent in 1968–1969 and by another thirty percent in 1971–1972. The 1974–1975 COCOM list review currently underway will make further reductions in the present list, which continues to officially restrict many of the most commercially desirable goods, including some computers, magnetohydrodynamic equipment, telecommunication gear, and integrated circuits. Although the U.S. has been the primary advocate of multilateral export controls, in 1973 the U.S. moved to cut its extensive unilateral Commodity Control List to make it nearly coextensive with the COCOM list. Given the leakiness of the COCOM procedures, many American corporations now charge that its major effect is to retard sales of American-based corporations. The growing recognition of the leaks, combined with pressures from allies for further reductions and pressures from American corporations for ending discrimination against them, leads many officials to expect the complete collapse of COCOM within the next three to five years.

Fourth, *the economic environment has changed radically since the days when COCOM was created:* East-West trade has increased dramatically in recent years; Soviet markets have become relatively more attractive; and foreign companies have become technologically competitive with American corporations. In the decade of the 1960's, Western exports to the Soviet Union and Eastern Europe tripled (from $3.7 billion to over $10 billion). The U.S. share of

[5] Items that are controlled by the Department of Defense on grounds of military classification are handled separately and are not included in this discussion.

that trade remained roughly constant, being three percent of exports and two percent of imports. Following the passage of the 1969 Export Administration Act, the U.S. Government began liberalizing restrictions on American trade with Communist countries. U.S. exports to the Soviet Union tripled in 1972 and tripled again in 1973 to a total over $1.3 billion. (At the same time, U.S. trade with China also increased, reaching a bilateral flow of $900 million in 1973, more than ten times that of 1972.) The Soviets want advanced technology, for example, advanced computer technology, arguing that sophisticated Western equipment, including software, could aid national planning and industrial management. Western computer companies have been approached for direct assistance on fourth-generation computers for the construction of air traffic systems for Kiev, Rostov, and Moscow airports, and for help in "using newest information systems for control purposes in industry, scientific research, and trade." The U.S. still enjoys an advantage over foreign producers in many of these advanced technologies, though that advantage is rapidly dwindling. Faced by balance of payments problems, all COCOM countries, the U.S. included, are searching for export markets. Advanced technological products are a major export item. COCOM controls and cumbersome U.S. Government regulations continue to handicap American-based suppliers of high-technology items. The need for exports and the increasing attractiveness of markets presented by Communist countries, however, encourage stiff competition, contributing to the developments described above.

A final manifestation of the current shambles is *the perpetuation of increasingly obsolete organizational arrangements for administering export controls.* Current procedures are essentially the residue of twenty-five years, eroded by the development mentioned above. Lists prepared with one rationale have been pared for assorted reasons, leaving today about 560 items (and item baskets) but no rationale that collects them all. The list of items and exceptions has been developed by a "case law" procedure for defining strategic goods, and for revising the list in the light of exceptions. But so many exceptions have been granted for so many different political and diplomatic reasons that the list no longer hangs together. Changes in technology and the growth of new and smaller firms in the export field have outrun the procedures for changing the control list, constantly increasing the potential for unintentional error or oversight. Circumvention of the current official embargo is widespread, officially neglected, and seemingly unstoppable. Neither the policy nor the procedures command the respect of the American business community required for successful voluntary compliance. Moreover, the present list is still managed by the mechanism established in the early 1950's: an Operating Committee and Working Group composed of middle-level officials from the Departments of Commerce, State and Defense. Though Congress deliberately and explicitly acted in 1969 to change the objectives of the export controls—scrapping the aim of slowing the Soviet economy by limiting exports—the same officials continue to administer export controls, and few have changed their minds about the value of economic warfare. Furthermore, the procedures for administering export controls have changed minimally. The positions taken by each of the agencies appear almost a caricature: Defense officials vetoing any item they can get a handle on, if only to delay for a couple of years Communist acquisition of the technology (reflecting their earlier commitment to economic warfare against socialist states); State (and the White House, especially in the Nixon period) prepared to make an exception for almost any item, as long as it appears to contribute to détente; Commerce, making American firms' case that since technology is going to be sold in any case, the U.S. should at least reap the benefit of making the sale. In addition, CIA, which is the sole source of official judgments on "foreign availability"—that is, whether a product equivalent to one an American company proposes to sell is available in the Bloc or in other countries—continues to interpret "availability" and "equivalence" in the narrowest terms, preferring to delay trade wherever possible (again, reflecting earlier economic warfare objectives).

These five developments conspire to produce the current pattern of exports (and embargoed goods): a collage with little rhyme or reason. Officials familiar with the process are coming to accept the basic facts. Current COCOM arrangements are so leaky that their primary effect is to shift sales from American companies to foreign competitors. Procedures for U.S. controls are so cumbersome, and opportunities for circumvention so prevalent, that they fail to stop export of some items of potential military significance, while they succeed in delaying and discouraging American companies from selling many items of no potential military significance. U.S. policy provides no coherent rationale for export controls. Though Congress changed the basic objectives of export control policy, this has not produced an agreed change in criteria for identifying products that should be banned. Many officials involved in administering controls continue to believe that their job is to prevent or slow down Soviet industrial production and efficiency.

Moreover, current legislation, policy, and procedures do not even attempt to address the central trade-offs inevitably involved in trade with the Soviet Union and Communist Bloc; trade-offs between security, economic, and political costs and benefits. The officials who administer export con-

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trols look to the past rather than to the future—being neither willing nor able to face up to the tough problem of trade-offs. Given their disagreements about objectives, and their deep distrust of each other (especially in the climate of the Nixon Administration with Kissinger's style of management), each unit plays the buttons under its control to get as much of its objectives as it can: Defense drags its feet; Commerce encourages sales wherever it can; CIA underestimates the availability of similar products in foreign countries; State and the White House make exceptions wherever political advantages seem possible. The composite process not only shortchanges each of the Departments. It serves the national interest poorly, handicapping American-based companies in competition for exports, hurting the U.S. balance of payments, encouraging a pattern of semi-legal circumvention, failing to assure restriction of items that do have significant military potential, discouraging American industry from exploiting its remaining competitive technological advantages and wasting the money of American corporations and American taxpayers.

This problem is too large and too complex to be treated adequately in a study of the scope of the cases undertaken for the Commission. This summary is based on a larger study done by the case analyst in which he examined classified documents about a number of particular cases. Those cases remain classified, so while the discussion here is informed by an examination of those cases, it is restricted to an account of export control procedures available in the public literature. While this account will suffer on occasion from lack of detail, the main lines of this account seem to be satisfactory. The purpose of this study, therefore, is to examine briefly the current organization, objectives and policy of the U.S. Government for export controls and to identify possible changes in organizational arrangements that offer prospects of better government policy and action.

This case is organized as follows. Chapter 2 presents an overview of recent export controls: criteria, procedures, and organization. Chapter 3 examines the effects of U.S. trade on the adversary. Chapter 4 examines the effects of trade on the U.S. Chapter 5 attempts to outline a better set of criteria, procedures, and organization for U.S. export control.

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Recent Export Controls: Criteria, Procedures, And Organization*

I. POSTWAR U.S. EXPORT CONTROLS

During World War II, the United States instituted a sweeping program of export controls and regulations as part of the overall military effort. After the war, these controls were retained, primarily to deal with inflationary "short supply" situations.[1] With the deepening of the Cold War in 1947–48, however, U.S. export control policy came to be an instrument of "economic warfare" against the Soviet Union and its satellites. Stringent export restrictions—what one observer has called "the economic equivalent of political 'containment' "—were designed "to deny to the Soviet Union and its presumed satellites the major benefits of an international division of labor." Ratifying this policy of the economic containment of the Soviet Union, Congress passed the Export Control Act of 1949 in February of that year. This act established a two-tiered licensing system (still in effect) for all U.S. exports. Most goods could be shipped under "general licenses," for which no formal application or specific governmental approval was required. But certain highly sensitive or strategic goods could only be exported under a "validated license," granted by the Department of Commerce's Office of Export Control. These licenses were given only to individual exporters for specified shipments.[2]

Although the Commerce Department was charged with administering U.S. export controls, the Act required it to consult with other interested agencies in the formulation of the basic export control list and in deciding whether to grant or deny licenses for particular shipments. As a result, a quasi-judicial hierarchy of interagency committees was established to hear export control "cases" and to settle "appeals." [3]

But obviously, the United States alone could not isolate the Communist Bloc from international trade; it needed the help of its principal allies to accomplish that. Hence, at American initiative, the Consultative Group-Coordinating Committee (COCOM) was established in late 1949 to effect a collective embargo of strategic goods to the East. All negotiations and much documentation about the control list were (and are) classified; no treaty was ever ratified to legitimize or enforce COCOM decisions. United States threats to cut off all "military, economic, or financial assistance" to any country whose trading policies interfered with the U.S.-sponsored embargo induced several of the participants to "volunteer." [4]

But which goods were to be embargoed? What criteria were used to determine which goods could be sold to the Communists and which could not? U.S. policy during this period was one of "offensive economic warfare" against the Soviet Union. Hence, not only were military goods specifically embargoed, but many basic industrial commodities (capital goods, raw materials such as rubber and copper, and so forth) also came under the ban, on the theory that these would build the economic base of the Communist war machine. Even an array of purely civilian consumption goods was restricted —plastic combs, for example—because the availability of such consumer niceties was thought to stifle the will to revolt.

*The full case from which this summary was adapted could not have been prepared without the benefit of interviews with officials in the Departments of Commerce, Defense, and State, and the National Security Council in April, September, and November of 1973 and February of 1974. The case author is particularly indebted to Maurice Mountain of Defense.

[1]Benjamin J. Cohen, "American Foreign Economic Policy: Some General Principles of Analysis," in Cohen (ed.), *American Foreign Economic Policy* (New York: Harper and Row, 1968), pp. 31–32.

[2]John P. Hardt and George D. Holliday, *U.S.-Soviet Commercial Relations: The Interplay of Economics, Technology Transfer, and Diplomacy*, Report for the Subcommittee on National Security Policy and Scientific Developments of the Committee on Foreign Affairs, U.S. House of Representatives (Washington, D.C.: Government Printing Office, 1973) pp. 48–49.

[3]Thomas A. Wolf, *U.S. East-West Trade Policy* (Lexington, Mass.: Lexington Books, 1973), pp. 47–50.

[4]*Ibid.*, p. 55.

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The United States' COCOM partners were never enthusiastic about the embargo. By 1953 they were increasingly voicing their displeasure. Always much more dependent upon foreign trade for their economic well-being than the relatively self-sufficient economy of the United States, the Europeans and Japanese were thus shouldering a disproportionate share of the economic burden that resulted from the COCOM embargo. The recession that afflicted most of the economies of the West in 1953 only intensified their pressure for increased foreign trade. With the death of Stalin, the end of the Korean War, and the termination of the Marshall Plan (and with it the political leverage it provided the United States), the U.S.' COCOM partners were both more willing and more able to stand up to the United States on the embargo issue. Finally, there was a growing feeling that the embargo simply had not worked very well: Soviet economic growth was proceeding vigorously, apparently unhindered by Western export policies. Indeed, some charged that the embargo may have only strengthened Soviet hegemony over its East European satellites by depriving them of Western economic contacts.[5] Thus, as a result of COCOM pressure, there was a dramatic reduction in the COCOM list in 1954.[6] Policy—on the multilateral level at least—shifted from concern with both the Communists' economic and military strengths to a "strategic" embargo only.[7] A further reduction in the list occurred in 1958, deleting or narrowing as many as half of the previously controlled items. After 1958 the list stabilized somewhat, though subsequent list reviews during the 1960's resulted in further reductions.

While multilateral restrictions on exports to the Communists loosened, the United States attempted to hold the line by retaining relatively tight controls over its own exports. Even as late as 1962, the Congress amended the Export Control Act to authorize controls over exports because of their "potential military *and economic* significance."[8] (Emphasis added.) Yet, with many of the items on the unilateral U.S. Commodity Control List (CCL) increasingly available from other countries, the new effect of U.S. unilateral controls, in many instances, was simply to deny U.S. companies a share in the Communist market. "The United States was therefore locked into a policy which was becoming less and less possible to implement successfully." [9]

During the 1960's, export restrictions underwent a further gradual relaxation as some of the basic assumptions of the Cold War were called into question. Many people came to doubt that Soviet gains from non-military trade could or would be translated into improved military capabilities,[10] that the Western embargo could stifle Eastern economic growth, and that reductions in the civilian standard of living in the Communist countries would bring about the overthrow of those regimes. Moreover, as the U.S.' share of the Communist market declined in relation to other Western nations, and as the overall U.S. balance-of-trade position deteriorated during the latter half of the decade, pressures mounted within the United States for a liberalized East-West trade policy. These pressures culminated in the Export Administration Act of 1969, a measure which, in contrast to its predecessors, was designed not to restrict the flow of East-West trade but to *stimulate* it.

Other sweeping changes in U.S. policy on trade with Communists also took place during the Nixon Administration. In 1972, the People's Republic of China was moved from Country Group "Z" (where it had been along with North Korea, North Vietnam, and Cuba), countries with which virtually no trade was allowed, and placed in Country Group "Y," on a par with the Soviet Union and most of the European socialist countries. In 1972, in the wake of the U.S.-Soviet Trade Agreement [11] of that year, Commerce's Office of Export Control was given the less hostile sounding title the "Office of Export Administration" and moved into the newly-created Bureau of East-West Trade, an agency set up largely for the purpose of promoting U.S.-Soviet commercial relations. As Secretary of Commerce Peter G. Peterson noted in his report on U.S.-Soviet trade of August, 1972:

> With the industrial and technological development of other major economies, the U.S. no longer has the monopoly it once enjoyed in the production of certain goods. Our overall trade balance is a melancholy reminder of these changed circumstances. The increased availability of high technology products elsewhere ren-

[5] *Ibid.*, pp. 67–68.

[6] Adler-Karlsson, p. 92.

[7] The 1954 revision was summarized in the *Financial Times* in this way: "What is important is that the decisions that have been reached establish the principle that the strategic controls are strategic and not an economic blockade." (July 27, 1954; cited in Theodore K. Osgood, "East-West Trade Controls and Economic Warfare," unpublished Ph.D. dissertation, Yale University, New Haven, Conn., 1957, p. 67.)

[8] Quoted in Wolf, *op. cit.*, p. 78.

[9] *Ibid.*, p. 69.

[10] The "Miller Report" of 1965 came to the conclusion that " . . . gains from non-military trade with the United States are unlikely to release additional resources for Soviet military expenditures. The U.S.S.R. accords overriding priority to military expenditures. Any change in total resource availability in the U.S.S.R. through trade would, under present policies, affect its civilian economy, not its military budget." "Report to the President of the Special Committee on U.S. Trade Relations with East European Countries and the Soviet Union," (Washington, D.C.: Government Printing Office, 1965), p. 9.

[11] This agreement was renounced by the Soviets earlier this year in the wake of the controversy surrounding the Trade Act of 1974, which tied the granting of Most Favored Nation status and Eximbank credits to liberalized emigration policies for Soviet Jews.

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dered some of our original curbs on exports to the Soviet Union increasingly anachronistic. The real loser from these particular restraints would have increasingly been the U.S. producer and worker, not the Soviet consumer or the Soviet economy. *There comes a point at which we must face the fact that business is business, and, if it is going to go on in any event, we might as well have a piece of the action.* [12] (Emphasis added.)

In many respects then, U.S. policy on East-West trade has turned about 180 degrees since the coldest days of the Cold War: from attempting to restrict such trade to actively encouraging it. No longer is it official U.S. policy to use export controls to limit Soviet economic strength; many transactions which have obvious military implications (such as U.S. participation in the building of the massive Kama River truck plant) are now approved. The U.S. unilateral embargo list has been dramatically scaled down to be nearly coextensive with the COCOM list, which was itself reduced by forty percent in the 1968–69 list review, and then by another thirty percent in 1971–72.[13] What then, is the rationale behind the existence of the remaining controls?

II. THE "TECHNOLOGY GAP" AND EXPORT CONTROLS

The most persuasive rationale for the perpetuation of some controls in current circumstances—but not for the particular items on the current list—is based on the importance of advanced technology in military forces and the existence, partly due to government-sponsored R&D and partly due to differences in industrial capabilities, of a "technology gap" between the United States and the Soviet Union. There is, as Secretary of Defense Richardson stated in 1973, a "strong conviction that it is essential for the U.S. to have a technological base which is superior to that of potential adversaries." [14] An argument used by Defense Department to justify export controls runs like this: U.S. defense policy places primary emphasis on deterrence; the success of deterrence rests on a margin of military or technological advantage (thus, for example, the United States spends over $8 billion annually on military R&D); the United States should not, therefore, supply its adversaries through the channels of trade with the wherewithal to reduce that margin. Of course, superior military technology is important in tactical as well as strategic contexts; the gap is not solely important for deterrence.

The purpose of export controls, therefore, is to *delay* the Communist acquisition of military technology. The goal, as stated in numerous government documents, is not to *deny* that technology forever, since that is impossible. Nor is it to increase the monetary *cost* of technological capability, since other East-West trade, now greatly expanded, enables large cost savings by the Communist countries. The notion is that certain goods, if exported freely, would provide the Communists with technologies unobtainable by them at any price over some relevant time horizon, and this delay in Communist procurement makes the U.S. deterrent more credible, insures the superiority of U.S. military forces, and reduces the possibility of technological surprise.

"Technology" is a term of many uses, and it is often left undefined in discussions of export control policy, despite its central role. The basic idea seems to be that technology refers to "qualitative" advances in capability that occur as a function of time and R&D expenditures, among other things. Technology also has aspects of a secret, where the possession of a single exemplar may enable one to extract its technology. Export control officials, interestingly, separate two kinds of technology. What they call the "technology of the laboratory" tends toward pure science; the Soviet Union is considered our equal in most such technologies and our superior in some; and flows of this technology can not easily be affected by government policies since they occur by way of publications, academic interchanges, and so forth. The "technology of the factory," on the other hand, comprises the practical know-how, machinery, and processes that transform laboratory techniques into industrial production. The Soviets are felt to lag badly in this area. Export controls, then, are aimed at preserving the Western lead in the technology of the factory, not at stopping Soviet scientific advances of a less applied sort.

III. CONTEMPORARY EXPORT CONTROL DECISION-MAKING

The Commerce Department is the lead agency in U.S. export control policy. Its Office of Export Administration manages the Commodity Control List (CCL), a list that categorizes goods both in terms of their "sensitivity" and in terms of the countries to which they can be exported. For example, there are about 440 so-called "A" items on the list, goods that require validated licenses before they can be

[12] Quoted in Hardt and Holliday, *op. cit.*, p. 9.

[13] The U.S. CCL included 2700 "items" in 1970; after an item-by-item review in 1971, the number dropped to 1700; in 1972 it fell to 963, and after last May's revision, the number was near 560. (The CCL includes the COCOM list.)

[14] *Statement of the Secretary of Defense Elliot L. Richardson before the Senate Armed Services Committee on the 1974 Defense Budget*, U.S. Senate, 93rd Congress, 1st Session, p. 14.

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exported to any country in the world (except Canada). Other, less sensitive, goods can be shipped under general licenses to most of the non-Communist world, but still require validated licenses for export to the Soviet Union, China, and most other Communist countries.[15] And virtually every commodity requires a validated license (rarely approved) for shipment to those countries against which the U.S. maintains a complete trade embargo: Cambodia, Cuba, North Korea, North Vietnam, Rhodesia, and South Vietnam.

The vast majority of export license applications are relatively routine and straightforward. The Commerce Department handles these by itself. The Department estimates that probably ninety percent of all validated license applications (in terms of dollar value) fall into this category.[16] More sensitive questions—particularly those involving high-technology goods—are referred to an interagency group (the Operating Committee) composed of officials from the Departments of Commerce, State, and Defense. This group, which is, in effect, a court of first instance for U.S. export control decisions, resolves most of the cases that come to its attention, generally on the basis of past policy. Occasionally, decisions escalate to higher levels. When agreement on a particular issue cannot be reached within the Operating Committee, the matter is appealed to the Advisory Committee on Export Policy (ACEP), consisting of assistant secretary-level officials of the three departments. If consensus cannot be achieved at this level the secretaries of the three departments are called upon to arbitrate the issue. Sometimes even the White House gets involved—though this happens in only a handful of export control decisions.

Since export control policy now concentrates on regulating the transfer of technology to the East, the flow of technical information is a critical element in the decision-making process. Personnel from the Office of the Director of Defense Research and Engineering (DDR&E) shoulder the primary responsibility for providing information on the use of advanced technologies in the U.S. military. They are assisted by Technical Advisory Committees composed of ten to twenty-five members drawn largely from private industry, who report on the parameters that define particular technologies. No one, however, is charged with reporting on how advanced technologies are used in the Soviet military. That question—which is critical to the formulation of a well-reasoned export control policy—is resolved instead by analogy to U.S. military force posture, an analogy that is often inappropriate.

The CIA's Office of Economic Research is responsible for defining the current "state of the art" in the Communist countries for various technologies. OER, however, has repeatedly demonstrated its preference for maintaining tightly restrictive export controls. Current procedures for export control decision-making allow it sufficient latitude to make that preference felt in policy decisions. The CIA presents the final judgment on existing levels of technology in the Soviet Union. According to most observers' assessments, the CIA consistently underestimates the quality of that technology, thereby restricting the sale of U.S. technology to the Soviets. A major source of information on the "state of the art" in the Communist countries are debriefings of U.S. businessmen. A businessman who wishes to sell semi-conductors to the Soviets, for example, may visit Moscow and learn that the Soviets do indeed have the capability to produce semi-conductors, although perhaps not very efficiently.[17] On his return, he may report this fact to the CIA. But should he apply for a license to sell semi-conductors to the Soviets, he has no assurance that the CIA will use his report in making its assessment on the current state of Soviet semi-conductor technology. Thus he may find his license denied on grounds that he knows personally to be incorrect. And no other agency or group is empowered to offer a counterbalancing judgment. The CIA has the same discretion in assessing comparable European and Japanese technology, despite the fact that it has no systematic method for making such judgments (its resources naturally being directed more towards the Soviet Union than France or Japan).

In 1974 Congress—apparently feeling somewhat disillusioned with the results of U.S.-Soviet trade thus far—attached amendments to both the FY 1975 Defense appropriations bill and to the extension of the Export Administration Act that gave the Secretary of Defense a larger role in U.S. export policy. Through the amendments to both bills he was given the authority (subject to Presidential override) to review proposed exports to the Communist countries and to disallow them if he felt they were detrimental to U.S. security. Although the long-term effects of these amendments to U.S. export policy are not yet clear, thus far they seem to have increased the influence of the Pentagon in export control decision-making. Commerce Department officials now feel compelled to send to Defense for review virtually every application over which there is the least bit of controversy, but De-

[15]Thus the total number of items (and item baskets) on the CCL which require validated licenses for export to the Soviet Union is about 560.

[16]U.S. Department of Commerce, *Special Report, Export Control* (Washington, D.C.: U.S. Government Printing Office, 1973), p. 41.

[17]This example is hypothetical only and is in no way intended to offer a judgment on the current state of Soviet semi-conductor technology.

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fense has not yet allocated the manpower necessary to deal with this influx of paperwork. The result, predictably enough, has simply been to increase the backlog of export license applications.

On the multilateral level, the fundamental objective of restricting Soviet access to Western technologies gets translated into a number of criteria for two types of export control decisions: (1) deriving the lists of restricted items and (2) deciding under what conditions exceptions will be allowed.

COCOM *list reviews* occur every three years, and they last almost two. The arduous process of decision-making within and subsequently between governments contains a basic logic of how the goods to be embargoed are identified. Before the international review begins, an interagency committee (Working Group 1) made up primarily of representatives from the Departments of Commerce, Defense, and State, requests certain information from their technological arms and the intelligence services. Basically, two questions are asked: What new technologies (or new applications of existing technologies) have been developed over the last three years that have military uses in the West? How have the technological capabilities of the Soviet Union and its East European allies [18] grown over the last three years in the technological goods restricted?

Given this information, the interagency committee and its technical staffs identify goods that (1) are used by the U.S. military [19] and (2) the Communist countries are not capable of producing. It recommends restricting exports that are roughly equal to or above the top of current Communist capabilities in these goods.

Exception requests are submitted throughout the year at the weekly meetings of COCOM delegates in Paris. Country representatives request that certain transactions proposed by firms in their countries be allowed, even though they involve restricted commodities. If the Operating Committee, for example, approves the sale of an IBM System 370 computer to the Soviets, the American representatives at COCOM then lobby for the sale. The delegates try to prove that the customer is in the civilian sector and that end-use guarantees have been provided. Over 1000 such requests were made in 1972, representing about $180 million in potential sales. Four out of five requests dealt with electronics and precision instruments; about one in five involved large computers, representing potential sales of over $65 million. Clearly, exception requests are big business.

Unfortunately, however, on neither the unilateral nor the multilateral levels is there a systematic logical framework for assessing the trade-offs involved in East-West trade. Advocacy by agencies (and governments) predominates, heavily colored by parochial perspectives. Precedent, tradition, and "case law" serve to temper and direct departmental advocacy into compromise solutions. But this creates an essentially static structure, which looks more toward the past for guidance than to the present or future. This is a poor mechanism for keeping up with rapidly changing technology—which may make obsolete today what was "strategic" yesterday —and with the changing international economic and political situations.[20]

The criteria for both list reviews and exception requests have suffered internal breakdown over the past few years. List reviews have resulted in such dramatic changes that no one is quite sure what the current criteria are or should be. Sales are occurring routinely today that were unmentioned a few years ago. Exception requests have frequently been motivated by high-level diplomatic and political considerations; because of the legalistic nature of COCOM decision-making, these exceptional decisions have stood as standards for future decisions. "Case law" has eroded. The results are a growing dissatisfaction among export control officials with the implied purposes and criteria behind current decisions, and recognition of the need for reexamination. But while policy has shifted dramatically, many of the procedural and organizational features of export control have remained essentially unchanged. Validated licenses are still required for routine shipments of hundreds of commodities to non-Communist nations. Over 65,000 such licenses were issued last year, only 10,000 of them for exports to Bloc countries. The contribution of this activity to U.S. security is questionable indeed.

At the same time the export control process suffers internal breakdown, its rationale has come under increasing fire from our COCOM allies. Listen-

[18]Information about Chinese capabilities is not pursued as vigorously, because the data are felt to be of poorer quality and because China trails the Soviets in every area of technology.

[19]Often this is described by the percentage of a good's sales within the United States that were to military customers.

[20]In the larger case study of U.S. decision-making, eight of the most controversial exception requests in the past three years were examined. When a request for technical information was made to the seller or to a U.S. intelligence source, it almost never addressed the impact of a commodity on Communist military capabilities or on U.S. security. Instead, detailed data was requested on the percentage of sales in the good which went to defense-related users in Western countries, or on the end-user (Was he "clean" or a possible front for the military?); often, long reports would be requested on Communist production capabilities in the area. An item was worthy of embargo, if it was "potentially usable" in the buyer's defense sector and if a risk existed that a good might be diverted to military uses. Actions taken in earlier decisions (often many years prior) served to define general considerations like "military applicability" and "adequate end-use guarantees." A request's relation to precedent cases dominated; there were no systematic discussions of the national security risks, economic benefits, and political aspects of particular sales.

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ing to high-level U.S. praise of détente and watching the soaring American sales, our allies wonder what the threat is and whether a few computers would help the Soviet Union more than 1973's tripling of U.S. exports. Since the Soviets have permitted the most detailed end-use safeguards at their Western-supplied computer facility at Dubna, critics say the same procedure could be followed for many other sales.

The basic problem with current export control logic, however, is not just internal erosion and external critiques. The problem is much deeper. One fears that by concentrating only on Soviet technological gains from trade, we may be overlooking other gains that are more important, or be assuming automatically and incorrectly that every gain in their technology has important military implications. That a good might be used by their defense sector does not mean it will create a military externality (though, of course, it may); that another item can be used only in the civilian sector does not mean it is without military implications. In addition, export control policy has largely continued to treat all Communist nations alike—implying, for example, that the military threat to the United States from China is the same as the threat from the Soviet Union.

Moreover, the export control process does not systematically incorporate economic and political aspects of trade into its decisions. It is considered sufficient for restriction that a security risk exists—even if the risk is small and the potential sales large. The trade-off between economics and national security is not made in any structured way.[21] Even the law that currently governs export controls considers the problem unidimensionally. The object is

> . . . to restrict the export of goods and technology which would make a significant contribution to the *military* potential of any other nation or nations which would prove detrimental to the national security of the United States.[22] (Emphasis added.)

The trade-off that is central to the problem, then, is not considered explicitly.[23] The next two sections of this paper will explore in greater detail the military, economic, and political considerations involved in this trade-off.

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[21]Indirectly, the amounts of pressure for the relaxation of different goods that come from private firms and from other governments reflect their estimation of foregone sales. And in exception requests, of course, the economic value of the proposed sale is known, and it sometimes plays a part in decision-making. But within the U.S. Government, the economic dimensions of list review and exception request decisions are not traded off with the security and political effects in any structured fashion.

[22]Export Administration Act of 1969 (Sec. 1(1)).

[23]Other policy-makers in the U.S. Government clearly do have the economic aspects of East-West trade in mind. These remarks apply to the export control decision process alone.

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CHAPTER 3

The Effects Of U.S. Exports On The Enemy

I. SAVING RESOURCES

If the Soviets can import goods from the West more cheaply than they can produce them themselves, they save resources in the bargain—resources that could, theoretically, be spent for military purposes. Thus, the lower civilian-sector costs resulting from our purely civilian exports could lead to larger military procurements.

As we saw in the previous section, this was one of the main reasons for the "economic warfare" policy of the U.S. during the Cold War, a policy which lay behind the stringent export restrictions of that period. Economist Thomas Schelling put the argument this way:

> Wheat shipments may have the same effect on military programs as jet engine sales. Wheat shipments may permit the Soviets to keep chemical industries oriented toward munitions rather than fertilizers; jet engine sales may permit the Soviets to allocate engineering resources to consumer goods rather than jet engines.[1]

But the United States has long since abandoned its economic warfare policy, recognizing both its futility in limiting either Soviet economic or military strength, and its economic cost to U.S. exporters. What one student of the subject has termed "the fundamental trade-off between economic warfare and economic welfare" [2] has been recognized. Official U.S. policy no longer recognizes a strong Soviet economy as a threat to U.S. security. As Henry Kissinger noted, a "fact of the contemporary situation which is quite different from any previous period is that there is no necessary relationship between economic strength and military strength." [3]

Accordingly, *we now permit unlimited sales of many sorts of goods, even to military end-users.* Most small and medium-sized computers are allowed to be exported in any quantity. Several U.S. suppliers contribute to the Kama River truck factory which produces, among other items, military transport vehicles. The huge U.S. sales of corn and wheat can be used to feed soldiers as well as civilians. Perhaps ninety percent of current U.S. exports to the Soviet Union have potential military end-use; and one must remember that under current export controls such sales are *unrestricted in amount* and end-user.

II. TECHNOLOGY TRANSFER

While the United States no longer attempts to increase the Soviets' cost of procuring a given level of military capability, it does use export controls to limit the absolute level of that capability. In other words, while the U.S. no longer tries to restrict Soviet "resource-freeing" gains from East-West trade, it does hope to delay Soviet "capability-enhancement." This distinction between resource-savings and capability-enhancement can be stated clearly in economic terms.

Means of production A is more efficient than means of production B either if a given level of performance can be produced with fewer resources, or if a given amount of resources yields greater performance. These two statements are equivalent for linear production functions, but not when there is some upper bound on inputs or some (technological) frontier that limits the output attainable. In Figure 1, AB is the production function relating resources to performance, and AB is bounded by CD. If, at some interesting point, gains in performance from additional resources can be considered negligible, a resource-freezing gain in efficiency (type a) is not equivalent to a capability-enhancing gain in efficiency (type b).[4] If upper bounds do exist

[1]Cited in Franklin D. Holzman, "East-West Trade and Investment Policy Issues: Past and Future," *Soviet Economic Prospects for the Seventies*, U.S. Congress, Joint Economic Committee, 1973, p. 665.

[2]Wolf, *op. cit.*, p. 68.

[3]Henry A. Kissinger, *Nuclear Weapons and Foreign Policy* (New York: Harper Bros., 1973), p. 2.

[4]Note that in the example given in Figure 1, (page 456) resource level E (approximately), the resource-freeing gain (a) is also capability-enhancing, while the capability-enhancing gain actually involves an efficiency *loss* (more resources for the same level of performance). However, above E, capabilities cannot be enhanced in (a) but are in (b). An example of (b) might be the use of a very large computer; on small problems (i.e., at low

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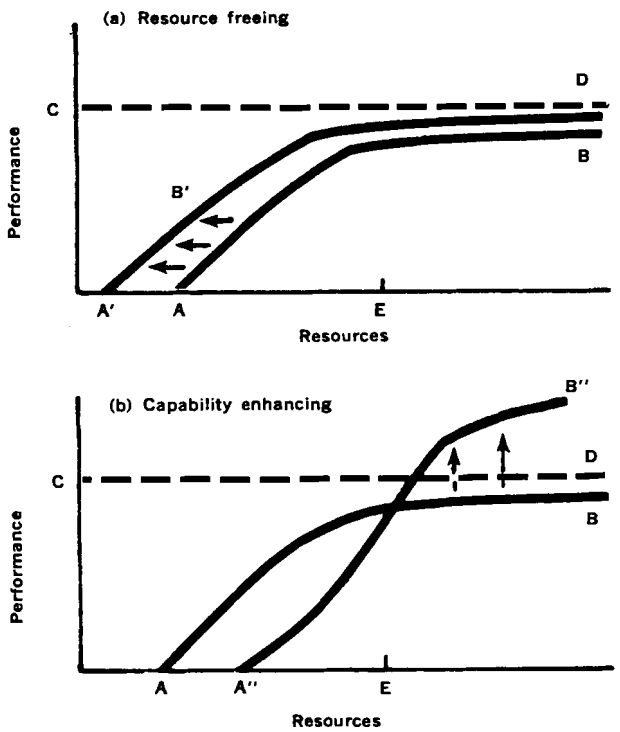
on technologies in Communist countries that do not in the West, then trade may enable them to make capability-enhancing gains above the CD constraint, moving them from production functions AB to one like A"B".

It is this "qualitative" capability-enhancing aspect of restricted items, rather than the "quantitative," resource-freeing gains, that forms the basis of current export control policy. Three different kinds of capability-enhancing differences among commodities may be relevant.

First, a certain good may represent a state-of-the-art technology that the Communist nations cannot produce or obtain from other sources. Gains from trade in other commodities cannot be converted by Communist countries into an Illiac 4 computer, for example; only by buying one from the West can they obtain it, at least over some pertinent time horizon. The Communists simply do not have this advanced computer technology yet—there is a "gap" between what they have and what the West has. In this way many "high technology" goods are not like wheat.

FIGURE 1.—COMPARISON OF RESOURCE-FREEING AND CAPABILITY-ENHANCING INCREASES IN EFFICIENCY



levels of performance), it may be less efficient than a small computer, but it has capabilities that surpass those of the small computer, even one with large amounts of resources devoted to it.

A second, related qualitative difference can result from Communist *production constraints.* The Soviet Union, for example, may only be able to produce a limited number of high-grade integrated circuits. They "have" the good—which distinguishes this case from the first—but at some interesting point the price of additional units becomes very large (where "very large" makes what might be called a qualitative difference in further availability of the good). Such a situation of constrained production is often thought to characterize Communist computer industries.[5]

Third, a commodity may affect not only the level of another nation's resources or technology, but also the *rate of change* of those resources. A good may embody much more than its concrete uses: It may disclose a technology (knowledge, a "secret") that is extractable and imitable. Thus, a jet engine may not only have its individual characteristics, but may also embody a production technology that assists the Soviets to be more efficient in their own engine design and production, or may provide knowledge that increases Soviet military capabilities, or may reveal a militarily-relevant "secret" about Western technology and about the range of options open to Western military forces.[6] No such embodiment occurs with goods like wheat, even though highly sophisticated technology may have been employed in producing them. Some technological goods may therefore be qualitatively different in their ability to affect the recipient's rate of growth of resources or technology.

All three kinds of differences have this in common: Increases in Communist resources cannot currently obtain certain capabilities that might be procured by trade.[7] And this distinction justifies

[5]Reporting on a trade mission to the Soviet Union and Poland, John Sodolski concludes:

> The technology for the conception and design of equipment at least as advanced as that which exists in the United States is available in both countries. There do seem, however, to be difficulties in bringing prototype design into production in Russia and Poland. . . . Again, as with the Soviet Union, there is no lack of technology of prototype units. The difficulty is in the production techniques and producing enough equipment to satisfy the demand.

"Report: Electronic Communications Trade Mission to U.S.S.R. and Poland, September 10–22, 1972," unpublished memorandum, pp. 1–2.

[6]Thus, for example, the unilateral U.S. Commodity Control List, drastically reduced in May 1973, still includes "nonmilitary jet, turbo-prop, turbo-shaft, and gas turbine aircraft engines" because "the premature decontrol of civilian-use aircraft engines could reveal to the Communist countries technological advancements in the U.S. military engines." U.S. Department of Commerce, *op. cit.*, p. 16.

[7]The distinction between capability-enhancing and resource-freeing gains from trade—and in part the distinction between technological and other goods—can be crudely characterized as a distinction between quality and quantity, with the assumption that quality is not purchasable by quantity over some relevent time period. Intuitively, the distinction of kind that is made

restricting the commodities with these characteristics, even while allowing other goods to be traded in unlimited quantities.

III. AN EXAMPLE OF GAINS FROM TRADE: THE CASE OF EXPORTS OF LARGE COMPUTERS TO THE U.S.S.R.

The most controversial single commodity in COCOM is large computers. Several aspects of the computer issue are clear. First, current controls restrict many of the big machines that are most desirable commercially and scientifically. Second, computers have wide applicability in the U.S. military, particularly in the Air Force, and they are expected to become more important in the future. Third, as Figure 2 displays, the Soviets are making a decided effort to accelerate their domestic production of data processing equipment. (The Soviets claim this effort is motivated by a desire to improve macro- and micro-level economic planning and management.) But despite the Soviet push, as Figure 3 reveals, the United States enjoys a sizable lead in the technology of large computers, as measured along certain important hardware parameters. Experts believe the U.S. lead in computer software, which is not restricted under COCOM controls, is even larger.

As we have seen, it has been enough to cite the military *usefulness* of computers and the Western *lead* as sufficient reasons for current restrictions. The question we must now ask is: Would the enhanced *technological* capabilities resulting from free trade in big Western computers imply enhanced *military* capabilities? If computers merely would enable the same military capabilities to be procured at decreased cost, trading them would not be different from trading other commodities that free Soviet resources.

There is an important if elementary logical point here. Even if a large computer would enhance the Soviet Union's *computing* capabilities along various technological dimensions, it would not necessarily enhance their *military* capabilities (in a way different from grain exports that feed Soviet soldiers or smaller computers that can be exported and do the job). It is not that such machines would have no military applications, nor that they do not enable the United States to achieve greater capabilities; but the Soviets may be able to substitute other resources for computers, or may need computers less, given their tactical and strategic situation, thereby obtaining qualitatively equivalent results.

Of course, large computers may make a tremendous difference to the Soviets. The point is simply that it is not *necessarily* true that possessing a more advanced technology, even a militarily-relevant one, leads to military capabilities that were not possible before.

Visualize big computers as one of a number of "factors of production" (including manpower, military hardware, time, money, and so forth) used in various "production processes" (alternative weapon systems, organizations, and doctrines) to yield "military capability." It is possible that the Soviets presently substitute both factors and processes for large computers in such a way that (1) they attain the same capability as the more computer-intensive Western military production choice and (2) the addition of computers would not enable significantly greater results. In theory, data processing equipment might make a large difference to the United States, given its factor costs, defense budget constraints, and military situation, but might not to the Soviet Union.

The relevant question about large computer exports, then, is:

> What capability-enhancing military differences would big Western computers make to the Soviet Union, given (1) the current performance level of Soviet computers; (2) possibilities for substitution of other factors of production; and (3) Soviet strategic and tactical needs, systems, and organizations?

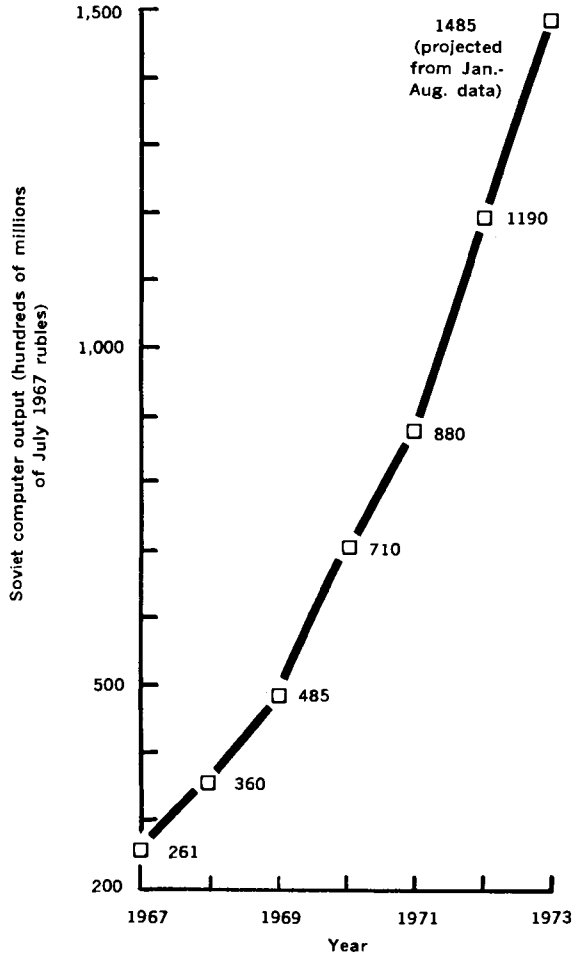
This question has seldom been asked in the export control decision process.[8] To show an exam-

between *goods* (i.e. restricted or permitted) should correspond to some distinction of kind between the *effects* of goods, since COCOM controls permit unlimited export of many goods that potentially save Soviet military resources (e.g., trucks, small computers, food, and so on).

In practice, an absolute distinction between quality and quantity breaks down, since additional resources can be used to accelerate technological advance. The Soviets, for example, can invest resources gained from trade into military R&D, thereby enabling them to "catch up" faster even in embargoed technologies. Does this investment lead to the same technological results as importing the technology would, were it available? The important variables determining the answer are (1) how U.S. security varies with the size of a U.S. temporal lead in the technology and (2) the return from further Soviet investment in military R&D. If the Soviets already place priority on military research and development, additional ruble investment may have a minimal impact. It is argued that they do not need more R&D funds, but Western hardware, know-how, and the technology itself. At any rate, the point is that embargoed goods must either provide a technological capability unobtainable by the Communists over the relevant time period or must save the Communists an amount of resources more significant than the resource savings made possible by the other exports that currently flow untrammeled.

[8]The author of the case reviewed much of the copious literature pertaining to the military use of large computers, including studies done for list reviews. Most concentrate purely on technical comparisons in Soviet and U.S. hardware, without raising the question of military importance; others talk about military applications in the United States from a narrow cost-effectiveness (resource-freeing) point of view. None that came to his attention

FIGURE 2.—SOVIET COMPUTER OUTPUT PER YEAR, INCLUDING SPARE PARTS



(Source: A. E. Nimitz, the Rand Corporation)

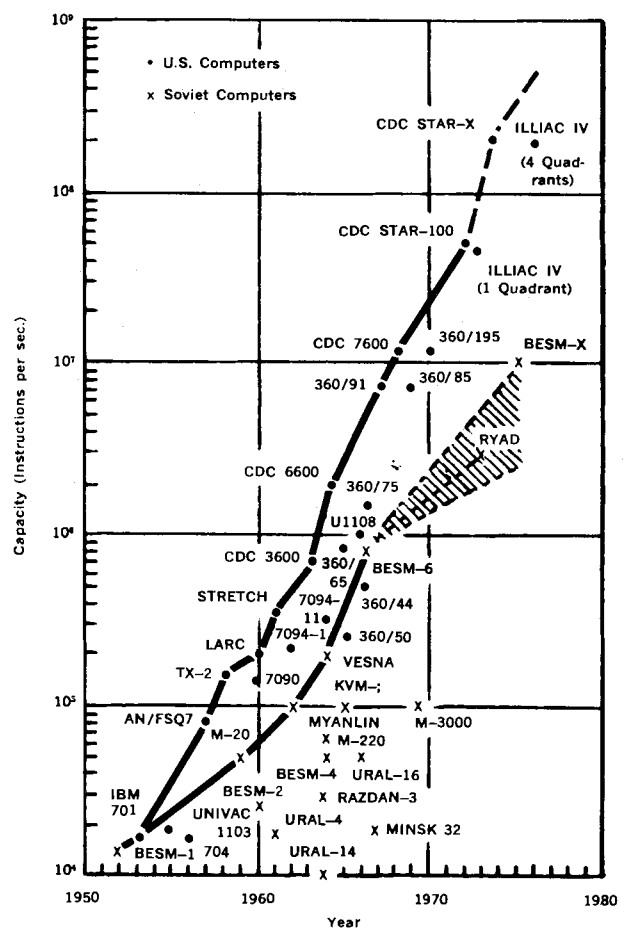
ple of how the wrong question led to the wrong answers, consider the Serpukhov computer case of the early 1970's.

A. The Serpukhov Computer Case[9]

In the early 1970's, the Soviet Union desired a restricted CDC 6600 computer for their high-energy physics laboratory at Serpukhov. The civilian end-use of the machines was clear: the high-energy research to be carried forth had no military (indeed, perhaps no commercial) applications; American scientists were to participate in the proposed work; similar physics labs in the U.S. also used the 6600. The only questions were seen to be: Could the computer have military uses? Could end-use safeguards absolutely prevent those uses? When the issue reached the U.S. interagency committee, a study was commissioned to see if safeguards could be devised to insure that some of the computer's time could not be used for military purposes. The answer was that such absolute insurance would be very difficult to provide. Hence, the decision within the interagency group discussing the matter: no export license was granted.

As a result, the Russians went to the British to buy two ICL 1906 machines, together roughly the equivalent of the CDC 6600. This new case came up through COCOM as an exception request. Commerce and Defense were opposed, holding to the earlier decision, and State, though favoring the sale, was not inclined to put up strong opposition. The request was rejected.[10]

FIGURE 3.—COMPARISON OF U.S. AND SOVIET HIGH-PERFORMANCE COMPUTERS



has dealt in detail with the question posed above. One recent published example is Stefan T. Possony, "The Real Revolution in Warfare: The Computer Impact," *Orbis*, Vol. XVII, No. 3 (1973), pp. 851-962.

[9]Howard Margolis, *Technical Advice on Policy Issues* (Beverly Hills, Calif.: Sage Publications, 1973).

[10]It is worth noting that other levels of question could be raised: Not just how much computer capability the alleged trans-

However, Prime Minister Heath reopened the case during a meeting with President Nixon two months later. Heath told the President that the sale was important to the British computer industry and, anyway, the rejection by the U.S. bureaucracy was irrational.

A reconsideration was ordered by President Nixon, and the White House Office of Science and Technology leaped into the fray. OST was able to formulate a more relevant question: Assuming the Soviets *could* use the computers at Serpukhov for military purposes, how much could this add to their capacity for doing military-related computations? In other words, OST rightly asked about the *importance*, and not just the possible *existence*, of military diversion.

Now it is apparent that the Soviets could not divert the entire Serpukhov computer facility to military uses without this being obvious. It was estimated that a quarter, at most a third, of the facility could be diverted—probably much less, given reasonable safeguards. OST then attempted to estimate what computational power this might represent. The two British machines were equivalent to about four or five of the largest Soviet machines, the BESM-6. OST argued that diversion would therefore be equivalent to the Russians building one more BESM-6. Since the Soviets would have at least fifty BESM-6 by the time the Serpukhov machine would be installed, the possible computational power that might be diverted to military uses seemed minimal; and a BESM-6 cost only $4 million.

Defense argued that there was, nonetheless, the risk of military diversion. Furthermore, the case would set precedents; not only would large computers be more difficult to hold back in the future, but the principle of "no possible diversion" would be sacrificed. But others contended that rejection would be a questionable way to encourage allies to hold other export restrictions where the case might be more convincing. And State (predictably) laid much weight on the political importance of Heath himself bringing the matter up.

Once OST posed "the right question," the matter was straight-forward. The sale would not create a "large" security risk, because only a small increment of military computational power would be gained. Nonetheless, as reported in the press, the issue went to the President in the form of a "split paper," with Defense opposing the sale and State favoring it. The White House approved the sale.

The interesting point about this case is how the debate early on focused on the absolute adequacy of end-use safeguards, when actually this issue should have been secondary to the unimportance of the potential computational gain. Bureaucrats tended to focus at the most technical issue, even though when a good question was asked ("Why does that technical issue matter? What if the safeguards didn't work and the Soviets did cheat?"), it is clear that the first issue did not matter.

gression would add, but how much military capability would thereby be created. And then: How much would that matter to the United States? The virtue of the OST question, as things turned out, was that its correct answer implied answers to the next two levels as well: the diversion simply would not make much difference.

B. Large Computers and Capability Enhancement

The Serpukhov case still did not answer the "relevant question" above, although it went beyond the "conventional wisdom." To answer the relevant question definitively is beyond the scope of this study. It would require expertise in the applications of large computers over a wide range of military activities. It would also require large amounts of information about the Soviet military: its needs and desires, its ability to absorb sophisticated computers and software, its opportunities for substitution.

Nonetheless, it was thought to be useful to pose a simpler version of the question to a loosely organized sample of specialists in computer technology, various military areas, and Soviet affairs.[11] The questions were simplified by assuming perfect absorption of technology by the Soviets and supposing that the publicly available BESM-6 computer, first released in 1965, defined the current level of Soviet computing power.[12] It was assumed that all controls on large computers were removed. With these conditions understood, the specialists were asked in informal interviews what capability-enhancing differences large Western computers would make to the Soviet military in the areas of command and control, logistics, military research and development, intelligence, missile guidance, antiballistic missile systems, and avionics.[13] They were asked to keep in mind various substitution

[11]Discussions with Allen Barbour, Abraham Becker, Barry Boehm, Irving Cohen, Philip Dadant, John Depres, Edmund Dews, John Farquar, Alvin Harman, Mario Juncosa, Donald Kosy, Donald Lewis, David McGarvey, Gary Mills, Jack Muckstadt, Nancy Nimitz, Theodore Parker, James Rosen, Hyman Shulman, Rein Turn, and Willis Ware provided the basis for the assessment of the importance of better computers for the Soviet military.

[12]Since absorption would not be perfect and since it is often said that the Soviet military may possess machines much more advanced than the BESM-6, these assumptions impart an upward bias to the estimated impact of U.S. computers.

[13]This list does not exhaust the military areas where computers have been and will be important, for example, anti-submarine warfare, fleet defense, and so forth. However, what is sought here is not a comprehensive, definitive assessment of the role of large computers in defense, but an illustration of the questions that should be asked instead of those that currently are.

possibilities that are available to the Soviet Union—substituting smaller, available computers, time, increased resources, and manpower for the large machines. They were also requested, when appropriate, to consider the situation of the Soviet Union—militarily, organizationally, and so forth—as they responded.

What follows is an attempt to organize judgments of these specialists. The results are surprising. In view of its tentative nature, however, this survey should not be taken as a final answer. It has not been checked by other panels of experts nor by independent calculations. Its goal is primarily to indicate, by example, the sorts of questions that should be asked about export controls and to provide a framework for further infusions of information.

C. Command and Control (C^2)

Large computers are widely employed in U.S. command and control to solve problems of airspace control and allocation of sorties. The main function of the computer is data storage, rather than computation. In the United States, the desired computer characteristics are increasing mobility, modularization, and resistance to hostile environments (dust, heat, jarring, etc.); at the tactical C^2 level, U.S. computers do not strive for size or extraordinary speed. The constraint facing U.S. C^2 is apparently not computers, but organizational problems and communications technology (troposcatter, switching, communication nets, and so forth).

Computers may present more of a problem in the future. The U.S. tendency is toward increasing *centralization* of strategic C^2 to reap the expected economies of scale from grand optimization of the allocation problem, and centralization may imply a need for larger computers. The Air Force's World Wide Military Command and Control System employs a Honeywell 6070 computer system that is more sophisticated than publicly available Soviet computers. Furthermore, the anticipated *automated battlefield*—new technologies in precision-guided munitions, sensors, and remotely-piloted vehicles—could raise C^2 problems by an order of magnitude. The future target acquisition software task may be impossible; sensors could imply needs for immense data storage capability; and the allocation problem will grow in difficulty. However, the binding constraints on the implementation of the automated battlefield will probably be three other factors: institutional resistance and implementation costs; communication technology; and defensive counters that nullify these seeming advances in offense (e.g. dispersion and jamming).

Both centralization and automation are policy variables. Short of completely centralized C^2 and total reliance on new battlefield technologies, it is quite possible that there will be little loss in efficiency even with present computer capabilities. Computers may be a constraint at *some* levels of centralization and automation, but those levels may not be different enough militarily from feasible lower ones to matter.

Furthermore, the Soviet C^2 problem has traditionally been less computer-intensive than ours. Instead of pursuing grand optimization schemes over many commands, areas, types of military operations, and alternative uses of the same forces, the Soviet military has tended to suboptimize. The Soviets link their air armies with their ground armies, a practice the Allies followed in World War II but have since discarded. This doctrine in effect ties their air units to specific geographical areas. The Soviet Union possesses less versatile airplanes, restricting the range of alternatives that have (or can) be considered. The Soviet air force is considered to be defensively oriented, with heavy emphasis on interception but not on deep penetration; this orientation, different from the United States', also reduces the scope of allocation problems. Consequently, the Soviets have a much simpler C^2 problem than our military posture and strategy has implied for us, and given their strategy, increased computing power may make little difference to their C^2. One expert believes that the Moscow civilian airspace control system employs as complicated a computer as their military could desire for command and control.

Conclusion: Large computers do not appear to be a constraint on U.S. or Soviet command and control. The automated battlefield of the future may make computers more important, but the best guess is that other factors will be much more important than large computers that are currently beyond Soviet capabilities.

D. Logistics

Data processing equipment is widely used in the U.S. armed forces to alleviate logistics problems. Many of the problems resemble those in business, although often with special features requiring custom-designed software: work scheduling, reorder, evaluation, forecasting, inventory control, payroll, record-keeping, and so on. U.S. logistics emphasizes computer characteristics like data storage and remote access. Speed is increasingly important: many of the current expensive changes in the Air Force Logistics Command involve an attempt to give commanders real-time access to the data base,

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instead of "canned" reports. The U.S. Air Force has been working for seven years on a new logistics command system, employing 1200 skilled workers and 400 supervisors, using a third-generation CDC 6600 computer, and eventually retraining 50,000 people to handle the system. The software work on this system is said to push forward the state of the art. The system is not expected to be completed until 1976.

The need for this sophistication stems from the very high cost of parts and the reduced number of aircraft, each being more versatile and expensive. Spare parts consequently have a greatly increased time/place utility; work scheduling becomes more critical; inventory mistakes can be disastrous. Computers are also more widely used because manpower is in short supply; computers are being substituted for enlisted men and women. As sophistication, expense of spare parts, labor costs, and versatility of weapons rise, so does the need for better logistics.

The Russians are not nearly so sophisticated; one specialist called their computer applications in related civilian management problems "primitive." The similarity of many of these civilian problems (because of which the Soviets have expressed great interest in acquiring Western data processing equipment) to military logistics problems has led to concern over the ease with which computer sales to the civilian sector might be redirected. However, logistics sophistication that does push the state of the art—as our Air Force Logistics Command does—is anything but an effortless application of civilian hardware and software, despite the apparent resemblance of the problems. It implies great expenses in software, skilled personnel and time.

Furthermore, the Soviet logistics problem is considerably more constrained than ours. As in command and control, different weapons systems, needs, and doctrines imply different computer needs. The Soviets have not opted for weapons systems as sophisticated as the American choices. Individual airplanes are not as expensive, and there are more of them; spare parts and work scheduling are consequently not as critical. Labor is plentiful and cheap. In effect, the Soviets have substituted greater quantities of arms and manpower for computers; given their choice, enhanced capabilities would probably save some resources (although not in the short run), but would not make a capability-enhancing difference to their military strength.

Conclusion: Like command and control, logistics "pays the price" of the increased sophistication in military forces. The U.S. has emphasized computers as a substitute for other forms of capital equipment and for labor; the Soviets achieve similar results by doing the opposite. Greater availability of data processing equipment would enable the Soviets to save some resources, but it would not enhance their military capabilities.

E. Research and Development

The main function of the large computer in research is affectionately called "number crunching" by military R&D specialists: large-scale computations in problems of weapons effects; exploration of outer space; ocean current and atmospheric modeling; and the design of boathulls, jet engines, and airframes. At first glance, there seems to be a clear discontinuity between U.S. and Soviet computer capabilities that has important military implications.

However, experts on military R&D are quick to point out that, even without the big Western machines, the Soviets have been able to solve all the major R&D problems for which the U.S. employs its most sophisticated machines. Their solutions to various design problems have proved equal to the West's; they have achieved moon landings and other space ventures; and their nuclear weapons are sophisticated. The Soviets may lag in atmospheric and oceanic modeling, but data shortages and the feeling that such modeling is not important may account for this lag rather than computational constraints.

In short, the Soviets are very good at military R&D. This may be because some of their secret computers are more sophisticated than those generally available. It is probably, however, the result of a willingness to take longer and spend more to obtain answers; as one expert said, "They may substitute time and thinking for computer power."

Conclusion: Very sophisticated computers are utilized in many U.S. military R&D problems, often providing savings in time and cost over smaller, Russian-level machines. But the Soviets have been able to handle the same problems well (atmospheric and oceanic modeling may be exceptions). The computer gap does not seem to result in a substantial difference between U.S. and Soviet military R&D results.

F. Intelligence

The use of large computers in military intelligence ranges from cryptanalysis to the storage and selection of information. Some tasks emphasize "number-crunching" (cryptanalysis); others require speed (handling large, continuous streams of satellite data); while others involve sizable data storage (maintaining the enemy order of battle). Some cryptanalysis tasks apparently involve the

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very largest available machines. Many of these problems, however, can also be solved using smaller computers, but at larger manpower and time costs. Our knowledge of Soviet intelligence capabilities and objectives is shrouded in uncertainty and secrecy, but one cannot readily show, using publicly available information, that access to large U.S. computers would make an important difference to Soviet intelligence capabilities.[14]

G. Guidance

The U.S. employs both ground and on-board computer systems to improve missile guidance. Ground computers are used for the extensive modeling needed for planning the four stages of missile flight: boost, cutoff and separation, free flight, and reentry. Often the computations are sizable. In the boost stage alone, over one hundred different parameters are modeled in some U.S. missile systems. On-board computers must handle models with over two hundred parameters and use them to transform incoming data into guidance instructions.

For a number of reasons, large computer technology has not constrained Soviet missile accuracy. The detailed modeling necessary for on-board guidance is well within the capability of the Soviet BESM-6 computer. It is true that many of the ground computer calculations can be handled faster and more easily on large, sophisticated machines, but smaller Soviet-type computers are also capable of performing them. Furthermore, guidance accuracy has been limited by instrumentation, imperfect surveying, irregularities in and imperfect knowledge of the earth's gravitational field, and engine technology, rather than by a need for larger computers.

Even with MIRV, large computer hardware beyond that which the Soviets presently possess does not seem essential. The limiting technologies in MIRV pertain to engine stopping and starting, separation, and possible inertial instruments, but not data processing.

Conclusion: The Soviets have substituted engine technology for on-board computer guidance in the past. As they now begin to use on-board computers, they are probably not constrained by large computer technology—in part because of their larger boosters and willingness to substitute time and manpower for hardware. If there is a computer constraint, it is not a lack of large commercial type machines, but small, special-design, on-board computers.

[14]Many computer applications in U.S. intelligence and cryptanalysis are highly classified. The case author did not have access to such material, and it may affect the conclusions drawn here.

H. ABM Systems

The role of computers in the development of ABM systems is a very controversial subject. Some experts feel that extremely large computers would be essential; others believe that networks of small, fast machines would be sufficient. The software problem was called insoluble by some, difficult but tractable by others.

The disagreements in part are a result of different definitions of "antiballistic missile system." The important parameters of ABM systems are the area protected, the amount of leakage allowable, the altitude of interception, the sophistication of the expected attack, and the size of warheads. Depending on which parameters are chosen, the computer task ranges from "not overwhelming" to "probably impossible."

From one point of view, the SALT I agreements restricting ABM deployments make the potential impact of computers on Soviet ABM potential a moot question. Others, however, might contend that treaties are not forever; that deployment might be difficult to detect if carried out under the guise of improvements in the existing air defense radar net; and that increased computer strength might enable the Soviets to violate SALT restrictions or threaten to.

Conclusion: The importance of the largest computers for ABM is a major uncertainty. Experts do not agree about whether U.S. computers would enable the Soviet Union to build an ABM system more resistant to a U.S. second-strike than an ABM system using their own best machines; nor do they agree that SALT I eliminates ABM as an area of concern.

I. Avionics

The U.S. Air Force has developed and utilized a series of increasingly sophisticated computers in avionics. These machines are part of the on-board equipment of modern warplanes; the new B-1 bomber, for example, will contain over 30 separate computers. Such machines emphasize size, light weight, and lower power requirements, combined, of course, with adequate data processing ability.

In the U.S. Air Force, the driving force behind the increasing avionics sophistication has been the desire for more and more accurate air-to-ground placement, whether of munitions or of supply materiel. Although data on Soviet avionics is not readily accessible, it is believed that the Soviets cannot match the highly integrated digital subsystems, sophisticated inertial navigators, and elaborate controls and displays of U.S. avionics systems like the FB-111A's Mark II.

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The Soviets, however, may not need or desire such elaborate systems in their aircraft. Sophisticated avionics is increasingly necessary in long-range, multiple purpose, air-to-ground warplanes; the Soviets have stressed short-range, single-purpose, air-to-air capabilities. The Soviets also tend to use the same basic avionics system in different aircraft with minor modifications, as opposed to the U.S. practice of developing different systems for different planes. Many U.S. technological advances would be inappropriate and perhaps irrelevant, given Soviet military and R&D policies.

More importantly, small general-purpose computers with potential avionics uses are not restricted under current COCOM controls. The large, restricted machines would not affect Soviet avionics capabilities.

J. Summing up the Military Impact of Computers

Surprisingly perhaps, the Soviet military seems able to substitute time, labor, other military resources, and doctrine for large computers, producing achievements comparable to those of the West's more computer-intensive defense policy. The U.S. military seldom uses large computers more sophisticated than the Soviet BESM-6; when it does, there is little evidence of a substantial difference in capabilities from those the Soviets obtain or would desire, given their defense policies.[15] Possible exceptions are ABM applications and atmospheric and oceanic modeling, but even here the importance of a computer advantage is not clear. Our fears about the impact of large computers on Soviet ABM capabilities should be lessened by the successful agreement of SALT I, and end-use restrictions could easily ensure that an exported large machine would not be used in an on-line ABM system. Atmospheric and oceanic modeling is of less than central military importance.

If the Soviets obtain militarily equivalent outcomes without large computers, lack of those machines does not represent a technological bottleneck. Thus the following three propositions seem justified:

1. Insofar as the logic of restrictions on the export of large computers depends on the existence of a bottleneck in the Soviet military that Western machines would relieve, the case seems weak. ABM and oceanic and atmospheric modeling applications may be exceptions. In other areas, although the import of large computers might result in resource-savings, they would apparently not imply capability-enhancing gains, and therefore, they are not separable from other types of (dual-use) exports currently sold without restriction.
2. The Soviet Union is weak in software and applications. Their constraints on skilled personnel apparently are tight, even with the small number of computers they now possess. If the West allowed more large computer exports to the Soviet civilian sector (perhaps with end-use safeguards), the Soviets might allocate their scarce software resources there instead of to the military sector, thereby benefiting Western security. In effect, our export of general purpose computers with end-use guarantees would raise the opportunity cost of military computer systems.
3. Although large computers might not enhance Soviet military capabilities, there were some indications that small, special-purpose machines and specially-designed military software would lead to military results not presently obtainable by the Soviets. Major and rapid improvements in mini- and microcomputers are likely to have a wide range of capability-enhancing military applications, especially in the 1980's and beyond.

*Mini*computers—basically small versions of familiar machines—will have increasingly important uses in avionics and missile guidance, as well as in tactical command and control. The key technology of military relevance has to do with "ruggedization," rather than with logical structure or electronics: with how equipment can be protected from the hostile environments associated with military operations. For export control purposes, if further analysis confirms that minicomputers should be restricted, study should go into the question of which measurable parameters would effectively distinguish minicomputers that would enhance military capabilities from those that would not.[16]

[15]Of course, large computers might well provide the Soviets with cost savings in these areas. Ronald Finkler of the Institute for Defense Analysis cites the unclassified results of several 1969 case studies of the use of large computers in the U.S. military. Large computers (above COCOM allowable levels) were examined in one design application (an IBM 7094-UNIVAC 1108 configuration used to design the Lockheed C-5A), one real-time communication application (two UNIVAC 494 computers used in NASA's NASCOM system), and two air defense systems (the NIKE-X ABM system and the SAGE defense system against manned bombers). In every case, networks of smaller computers could have been used to achieve identical capabilities, though at higher cost (thirty-three percent for the Lockheed C-5A case, substituting five exportable UNIVAC 418 II computers; twenty percent for the NASCOM situation, substituting five CDC-3300 computers). Both the NIKE-X and SAGE systems were judged feasible with linkages of smaller computers. The point is that Soviet military capabilities would not be enhanced through the availability of large computers, making their export similar to other allowed sales of the resource-freeing kind.

[16]Currently, there are several operational criteria for restricting small machines: for example, restricting the export of computers that can operate below a certain temperature range. How-

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*Micro*computers—under various guises and names (computer-on-a-card, microprocessor, chip calculator, and others)—have reached the state of sophistication that their large-scale incorporation into all sorts of production, instrumentation, and signal-processing systems is a reality. Many of these uses may enhance capabilities in military areas—for example, ground-to-air communications, radar, "smart" weapons, "smart" sensors, and the operational security of communications in general.

The key technology for microcomputers is the production of large-scale integration (LSI) chips. Such production equipment is currently controlled by COCOM, although whether at the right level is a matter for concern. A problem in attempting to control the international transfer of microcomputers, however, is that they will be widely available in the West and easy to smuggle. (Thousands fit in a single suitcase.) Therefore, even if sales of integrated circuit production machinery can be effectively restricted, microcomputers still will be virtually impossible to keep out of Communist hands.

Mini- and microcomputers should probably receive proportionally much greater export control attention than the large machines that currently dominate COCOM concern. Special attention should be paid to technical parameters along which feasible and effective control can be exercised.[17]

IV. CHANGING THE ADVERSARY'S INTENTIONS

Suppose our exports to the adversary improved his military *capabilities*. We would not, other things being equal, like that. But other things may not be equal: It is widely believed that increased trade with a potential enemy may reduce or inhibit his *hostility* toward us.

One version sees trade as a substitute for military rivalry. Secretary of Commerce Dent voiced this popular view, as follows:

> It should be apparent that there could be dangers abroad in the world today which could destroy all of us if we remain paralyzed by their complexity and magnitude. But men of initiative see in these very perils great opportunity for policies of action designed to allay fear and reduce hostility and tension. Simply put, they see the possibility of replacing military competition with commercial competition. No one has grasped the value of this simple axiom more strongly than President Nixon.

A second version posits that trade creates stabilizing transnational ties among countries, thereby inhibiting hostile initiatives by the central governments. It is worth noting here that one of the leading proponents of this view is Secretary of State Kissinger:

> We hoped that the Soviet Union would acquire a stake in a wide spectrum of negotiations and that it would become convinced that its interests would be best served if the entire process unfolded. We have sought, in short, to create a vested interest in mutual restraint.[18]

Skeptics point out that trade may engender conflict, not reduce it, or that transnational ties are infringements on sovereignty. Before World War I, France and Germany were each other's chief trading partners; the U.S. was Japan's before Pearl Harbor.

Other political effects are often mentioned. One had to do with making Communist nations more capitalistic. It is sometimes maintained that our trading with them carries with it the merits of free enterprise. Not only might Soviet imports from the West have an effect, but increased Soviet exports to Western markets would force Soviet industries to be more competitive on Western standards, with allegedly important internal repercussions. (Usually, however, no mention is made of the possibility of reverse penetration: Western governments having to centralize and coordinate the foreign trading operations of their private corporations in order to deal with Soviet state-trading monopolies on a more equal basis.)

Another political effect of increased trade, if exports were selective, is thought to be a further breakdown of the Communist bloc. "The trouble with the embargo," wrote Nicholas Spulber in 1952, "is simply that the more efficacious it becomes with respect to the small countries of the Soviet orbit, the greater becomes the bargaining

ever, such a criterion may not restrict minicomputers that *are not* currently used under such ranges in the United States, but which *could* operate below the temperature with fairly trivial packaging and adjustments. *Computer* technology per se may not be the place to look for export control parameters in this case; rather, in the technologies of hermetically sealed containers, latching mechanisms, hygroscopic treatments, and so forth.

[17]The export of *large* computers to Communist buyers would have only marginal impact on their ability to design and produce *mini-* and *micro*computers. The technological advances embodied in the giant number-crunchers have little to do with the technologies that are most important for mini- and microcomputers. (Integrated circuits are basic to all three, but no one would buy a large machine for its chips.) The design process of small machines often involves the use of bigger computers, but not machines above the BESM-6 level, and gains from using larger machines would be of the (moderate) resource-freeing variety.

One exception may be the use of very large computers to simulate environments for checking out and improving avionics computers. Such a use of giant computers involves months of continuous computer time and close contact with other equipment and personnel in avionics facilities. Like ABM, this sort of use of large machines could easily be deterred with minimal end-use controls.

[18]Cited in Hardt and Holliday, *op. cit.*, p. 13.

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position of the USSR in its intra-bloc trade relations." [19] But whether increased Western trade could ever have helped split the bloc is debatable; that relaxing current controls would contribute significantly to doing so is unlikely.

It does seem reasonable that, short of bloc splitting, different East European countries could be given incentives or rewards for favorable behavior in the form of a differential embargo, perhaps by using exception requests in a more political fashion. More importantly, in the case of China and the Soviet Union, differential policies could better take account of the non-identity between them and the possibility that U.S. trade could alter Sino-Soviet relations in a way beneficial to the West.

To summarize the political effects of increased trade: much is asserted, but little is proved. As Richard Cooper has concluded: "the impact on political leadership may possibly lead to the most important effect of economic interdependence on foreign policy, but it is too subtle and uncertain in direction to be analyzed with any confidence." [20] Indeed, it is difficult to imagine appropriate evidence from the past that could guide policy-makers in the present on this question. The *a priori* nature of most of these arguments indicates that they are statements of belief rather than of fact; hence they rarely provide clear answers to specific policy questions. It seems fairly clear that an increase in trade with an adversary does foster some short-run climate of cooperation. What is not at all clear is that the loosening of export controls would affect the desire of military competitors to procure military capabilities, especially in the long run.[21]

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[19]Nicholas Spulber, "Effects of the Embargo on Soviet Trade," *Harvard Business Review*, Nov., 1952, Vol. 30, No. 6, pp. 122–128.

[20]Richard N. Cooper, "Economic Interdependence and Foreign Policy in the Seventies," *World Politics*, Vol. 25, No. 2, p. 173.

[21]Specific instances could have large political repercussions, but the effects are hard to estimate in the abstract. To name two such possibilities: (1) A dramatic reduction of export controls, with appropriate atmospherics about "the end of a cold war vestige"; (2) A particular sale of a capability-enhancing military technology, say, to China, that enhances the stability of the military situation along the Sino-Soviet border. Both cases are presented as hypothetical examples, not as recommendations. In either eventuality, the "political effects" would not primarily be sought in some general shifting of "indifference curves," but in tangible *quid pro quo* arrangements.

The Effects Of Our Exports On Us

I. HIS MILITARY GAINS AND OUR SECURITY

How much do particular military gains by an adversary matter for our security—or, indeed, do certain gains matter at all? What is the "exchange rate" between his gains and our losses? Under some models, these questions are not difficult at all. Most treatments of trade with an adversary presume, for simplicity, a bipolar world with a zero-sum military relationship.[1] "Relative military advantage" is the quantity to be maximized; under such conditions, the adversary's gain is our loss, measurable in principle along some single national security metric. And if the arithmetic difference between our national security score and theirs is to be maximized, it means that all gains by them or losses by us of equal magnitude are equivalent, no matter what level of national security either of us had beforehand.

This formulation is in some ultimate sense tautologically true. *If* one had a grand metric of national security that *were* a function of the difference between our security score and the adversary's, there would indeed be a zero-sum, bipolar situation. The problem is that we have no such metric—and, from all evidence, such a grand metric would correlate quite poorly with scales like the relative number of missiles or quantity of fighters or, to be more germane, the size of various "technological gaps" with military relevance.

There are a number of reasons why such simple metrics are faulty:

1. *Nonlinearity.* Even in duels, the archetype zero-sum situation, the advantage we reap from a certain lead over the adversary often depends on what level each of us has, as well as on the type of lead. Having a one-rifle lead would be all important if we had one and he had none; it might be of almost no consequence if we had fifty and he forty-nine.

2. *Non-zero-sum considerations.* As soon as the power to hurt becomes important, conflict becomes non-zero-sum. "Deterrence," "accidental war," "brinkmanship," "alliances," "arms race," "arms control," and even "threats"—all central concerns of defense policy—have no meaning in a zero-sum context.[2] Even if we have the superiority to defeat an adversary, we may not want to, if he can hurt us to an unacceptable degree in the process. And even if he could defeat us in the end, we may be able to credibly *threaten* an unacceptable loss to him and thereby coerce his acquiescence.[3] In such circumstances, as Henry Kissinger has written, "to seek safety in numerical superiority, or even in superior destructiveness, may come close to a Maginot-line mentality—to seek in numbers a substitute for conception." [4]

The clearest examples of non-zero-sum aspects occur when one considers the stability of peace and the role of arms in deterring unfavorable actions, both "strategic" and "tactical," by the adversary. In the simplest case, our superiority in a military area may be destabilizing and therefore undesirable, perhaps by giving the adversary an incentive to strike first in order to disarm us, for fear that we may utilize our advantage; or by leading to a spiral of arms spending, as first he, then we, strive to catch up and get ahead. In such cases, what matters is not captured by our relative numerical advantage along some dimension like number of missiles or airplanes. Thomas Schelling has argued as follows:

> As to criteria, the first thing to emphasize is that it takes a good deal of strategic analysis to decide whether a particular limitation or augmentation of weapons or facilities is a good one or a bad one. . . . One has to ask whether the technological

[1]See, for example, Richard Gift, "Trading in a Threat System: The U.S.-Soviet Case," *Journal of Conflict Resolution*, Vol. 13, No. 4, 1969, pp. 418–437; Osgood, "East-West Trade Controls and Economic Warfare," *op. cit.*; Henry Y. Wan, Jr., *A Contribution to the Theory of Trade Warfare*, Ph.D. dissertation, Massachusetts Institute of Technology, Cambridge, Mass., 1961; and Wolf, *U.S. East-West Trade Policy*.

[2]Thomas C. Schelling, "The Strategy of Inflicting Costs," in Roland N. McKean (ed.), Conference on Universities-National Bureau Committee for Economics Research, *Issues in Defense Economics*, Part II (New York: Columbia University Press, 1967), pp. 105–127.

[3]See, in general, Thomas C. Schelling, *Arms and Influence* (New Haven, Conn.: Yale University Press, 1966).

[4]Henry A. Kissinger, *Nuclear Weapons and Foreign Policy* (New York: Harper & Bros., 1957), p. 61.

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and economic consequences of a particular scheme are or are not conducive to military stability; and the answer is very unlikely to be closely correlated with whether more weapons or fewer weapons are involved, bigger weapons or smaller ones, or even whether notions of "more" and "less," "bigger" and "smaller," can be applied.[5]

These are stark examples. But much of U.S. defense policy, in its broadest public formulations, pays particular attention to the non-zero-sum aspects of both the strategic and tactical[6] military situation. While President Richard Nixon went so far as to note that:

> In the nuclear era, both the United States and the Soviet Union have found that an investment of military power does not necessarily represent an increment of usable political strength.[7]

Henry Kissinger voices a similar view:

> In the past, it would have been inconceivable to any statesman that he could ever have too much power, and any increment of power was politically useful. In the contemporary period, we are in a situation . . . where additional increments do not necessarily have either military or political significance.[8]

3. *Multipolarity.* In the early days of export controls, the Communists were homogeneous, and the threat was thought to be near-term; now the Communists are divided, even militarily, and U.S. defense planning takes a long-term perspective. Yet much of the logic and the procedures of export restrictions have remained the same. Unlike the early 1950's, the military world is not multipolar. Most importantly, this fact means that treating China and the Soviet Union in export control policy as if they posed identical military threats is a mistake. It is quite possible that exports to either country would have more effect on Sino-Soviet relations than on U.S.-Soviet or U.S.-Chinese interactions; that, to be purely hypothetical, exporting tactical air defense systems to China might *enhance* U.S. security overall.[9] Similarly, differential treatment of the different countries of Eastern Europe might reinforce desirable behavior. Actions that might affect Sino-Soviet relations in a way beneficial to the United States, or improve relations with particular Bloc countries, would often be rejected from the point of view of bipolarity—one world, two sides, them and us. This is true in export policy and elsewhere.

II. IMPLICATIONS FOR EXPORT CONTROL POLICY

Yet present export control policy conveniently ignores these considerations. A syllogism often used to defend export controls looks like this:

1. The U.S. invests in military R&D to produce a technological advantage.
2. Trading technology gives the gap away.
3. Therefore, restrict such trade.

Indeed, the worth of export controls is often described by government officials as equal to the amount of money necessary to produce the technological gap.

But the notion of a gap, in use if not in theory, is basically zero-sum: his gain is our loss, and we want to maximize our relative advantage. Despite recognition in high-level defense policy of the non-zero-sum nature of competition in military technology,[10] not to mention competition in bombers, missiles, and multiple warheads, many defense advocates return again and again to metrics like gaps, to metaphors of "ahead" and "behind," to goals like "superiority."[11] Simple-minded gapmanship, however, is no longer a credible or sufficient argument—for export controls or for any other defense

[5]Thomas C. Schelling, "Reciprocal Measures for Arms Stabilization," in Donald G. Brennan (ed.), *Arms Control, Disarmament, and National Security* (New York: George Braziller, Inc., 1961), p. 171. In "The Strategy of Inflicting Costs," Schelling concludes that *no* simple "exchange rate" can be devised to translate the adversary's costs and benefits to our own, precisely because of the non-zero-sum nature of military relationships.

[6]Non-zero-sum considerations do not apply to so-called "strategic" areas alone, but also to "tactical" situations. Zero-sum models are sometimes useful to model tactical interactions, but only when there are fixed resources and no intention of influencing the enemy's intentions. Schelling, "The Strategy of Inflicting Costs," *op. cit.* In *Arms and Influence,* Schelling offers several examples of the non-zero-sum aspects of limited warfare, European conventional conflict, and passive and active defenses against non-nuclear attacks. (See pp. 79, 107f, 112.) He also offers numerous historical examples of deterrence and other non-zero-sum aspects of "arms and influence" that greatly antedate the introduction of strategic nuclear weapons. See Chapter 1.

[7]Richard M. Nixon, *U.S. Foreign Policy for the 1970's: Shaping a Durable Peace,* A Report to Congress (Washington, D.C.: U.S. Government Printing Office, 1973), p. 194.

[8]"Minutes from a White House Press Conference, May 3, 1973," (mimeographed), p. 2.

[9]Exporting some military technologies even in a bipolar world might be desirable, were they stabilizing: for example, a more error-free early warning system that would reduce the chance of false nuclear alarm. For other suggestions, see Schelling, "Reciprocal Measures," *op. cit.*

[10]For example, Richard Nixon stated: "If competition in technology proceeds without restraint, forces capable of destroying the retaliatory forces of the other side could be developed; or the thrust of technology could produce such a result without deliberate decisions." Nixon, *op. cit.,* p. 203.

[11]Robert Bazell attributes a selfish motivation to this tendency: "Research and development has thus appeared as the latest generation in the family of gaps that the Defense Department presents . . . as rationale for increased funds." (Robert J. Bazell, "Arms Race: Scientists Question Threat from Soviet Military R&D," *Science,* Vol. 173, No. 3998, 1971, p. 707.) One need not be so cynical. Gaps are measureable (at least in theory); "ahead" and "behind" are clearly understood. In contrast, pleas for non-zero-sum subtleties, inevitably complicated, result in a lack of global metrics and, sometimes, the abandonment of habitual modes of thought.

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policy. The desire to maximize the gap, or to use it as a measure of national security, prompts one to overlook the fact that (1) a military lead may not be an advantage (2) a technological lead does not necessarily imply a military lead (3) the technology traded often has little to do with the specialized technology produced by military R&D (4) the cost of having attained a lead usually will not be equal to the value of having it (some costs were incurred not to produce a lead but get certain absolute levels of performance; the lead may be incidental; it could be caused by uncontrollable private sector differences) and (5) the various measures used to gauge the gap (time, performance characteristics, dollar costs for us to get it or for them to overcome it) have no direct connection with the gap's security importance.[12]

The point of citing these considerations is certainly *not* that all military leads are unimportant Military gains by an adversary may entail a decisive loss for us. The point is that simple functions that attempt to relate Communist military gains to U.S. losses are misleading; searching for simple rules of thumb to relate the two is not merely inaccurate but may do violence to what we really mean by national security. And the point of all these "maybes" is to counter simple arguments that assume the opposite: arguments that are often used to justify export controls, to define restricted items, and to measure the benefits of present policies. Instead, we must proceed to the details of particular cases and consider military *importance,* not just military enhancement, when we make export control decisions.

III. OUR ECONOMIC GAINS FROM EXPORTS TO THE ADVERSARY

Despite the persistent claims by business interests that trade controls imply large sales losses, estimating the foregone volume accurately is a formidable problem. For one thing, reliable data on the Soviet economy is generally hard to come by; the Soviet Union "has the same interest in non-disclosure of its internal resources and methods of operation as does General Motors or General Electric or IBM." [13] And in the U.S.S.R.'s centrally-planned economy, there is no necessary relationship between domestic costs and prices or production and demand for imported goods. Foreign trade is initiated and carried out by the state as an instrument of policy, often for what—to Western eyes, at least —appear to be quite noneconomic reasons. Thus the "market" for Western imports may only exist inside some commissar's head. Finally, U.S. export restrictions are only one of a large number of constraints on increased American trade with the Communist countries; indeed, they may be only a relatively minor impediment.

One problem facing increased Soviet-American trade is the Soviets' ability to pay for U.S. exports. The ruble is an inconvertible currency; hence the Soviets have a chronic need for foreign exchange. Historically, however, their trade balance with the U.S., as with the West in general, has been recorded in red ink. Thus the Soviets have often been forced to rely on long-term credits to pay for their transactions—credits which the U.S. Congress has demonstrated itself reluctant to grant. Indeed, this problem of financing Western imports has proven to be one of the most important obstacles to increased East-West trade.

A recently-released CIA report, however, suggests that this problem may not be as severe as was previously thought.[14] In 1974, the Agency estimates, the Soviet Union ran a $500 million to $1 billion surplus in its trade with the West, due primarily to dramatic increases in the prices of gold, oil, and other Soviet exports. Moreover, as this surplus is expected to continue into the next decade, the Soviets' dependence upon Western credits will decrease, and their "import capacity" may rise by as much as thirty percent annually over the rest of the decade.

Another problem facing prospective American exporters is the structure and pattern of Soviet foreign trading policy. The Soviet economy is centrally planned; their foreign trade is part of the plan. Hence, before U.S. firms can engage in trade with the Soviets and the other Communist countries, they must first "get into the plan" of the Communists' foreign trading agencies.[15] Moreover, the central planning of Soviet foreign trade has had another effect: a "disconcerting pattern of fits and starts of Soviet purchases abroad." [16] Decision-making in the U.S. on foreign trade is relatively decentralized among the various firms and organizations that engage in it; this leads to a "diffused" pattern on trade, as individual decisions may be offset by others. With the centralized decision-making structure of the U.S.S.R., however, individual decisions are amplified instead of counteracted; an erratic flow of trade is the result. Thus the Soviets may not be a steady customer for U.S. exports.[17]

In addition, the kind of Western import that the

[12]A technological lead may be important for security reasons; this paragraph merely lists the logical steps often left out by gap advocates.

[13]Harold J. Berman, "Business Before Pleasure," *Nation,* May 14, 1973, p. 622.

[14]Cf. Edwin Dale, Jr., "Soviet Has Trade Surplus With West, CIA Reports," *New York Times,* April 8, 1975, pp. 1, 62.

[15]Berman, *op. cit.,* p. 623.

[16]Raymond Vernon, "Apparatchiks and Entrepreneurs: U.S.-Soviet Economic Relations," *Foreign Affairs,* January 1974, p. 254.

[17]*Ibid.,* p. 255.

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Russians seem to be most interested in—technology—also may be a factor inhibiting a long-term increase in the flow of East-West trade. While Soviet scientists are among the world's leaders in producing the "technology of the laboratory," they lag badly in the "technology of the factory." And it is this latter type of technology that the Soviets want. As Malcolm Currie has noted, "The processing know-how, the whole flow of work and equipment in manufacturing plants—that's the technology they're after." [18] But once the Soviets have a particular technology, they may no longer wish to deal with the West. "The discontinuities in the patterns of Soviet acquisitions abroad are exacerbated by the fact that the U.S.S.R. generally relies on foreign sources only for the acquisition of prototypes, not for expansion and replacement." [19] The Soviets' preference for "turn-key" operations (in which a Western firm builds an entire plant and turns it over to the Soviets) may mean that these deals are only one-shot transactions, not the beginning of long-term commercial relationships.

A third problem confronting American exporters is competition for the Communist market from European and Japanese firms. Since America's COCOM partners have traditionally done more business with the Communists than has the U.S., these firms often have the advantage of already being "in the plan" of the Communist state-trading agencies. In addition, they may sometimes have the advantages of greater experience in the often-Byzantine ways of doing business with the Communists, and of having governments more willing to back them up (with credits, for instance) than the U.S. Government has been.

Despite the United States' shrinking lead over other Western countries in many areas of technology, however, the Soviets do have an expressed preference for American technology, considering it to be the best available. Moreover, the Soviets are impressed by the usually greater size of American firms; they apparently feel more confident that the Americans will be able to handle the often-massive transactions the Soviets are fond of negotiating.[20]

John Picard Stein takes an interesting approach to the problem of estimating the potential economic benefits to the U.S. from increased Soviet trade by attempting to gauge an upper limit for potential exports. Even when estimates of averages are completely unreliable, estimates of bounds may be robust. He uses the specific case of computer sales to Eastern Europe and the Soviet Union (EESU) to develop a multiple regression methodology for the estimation of potential demand.

To assess an upper bound, Stein posits the most favorable environment for computer exports: the removal of export controls, no limits on Communist payment potential, and compatibility of Western machines with Eastern needs and infrastructure. He assumes that, with certain economic and "structural" features held constant, EESU will demand as many computers per capita as the Western European countries. This is an optimistic approach, for at present, EESU use far fewer data processing machines than the West; but for purposes of estimating an upper bound, Stein properly adopts the view that current differences in computer demand, after controlling for the other features, are due to export controls and other East-West trade impediments.

Estimates of the upper bounds of the EESU *demand* for computers, thus generated, can then be compared with the planning *supply* from EESU producers. Stein assumes a conservatively low production schedule—that EESU will produce only forty percent of the expansion targeted through 1985. Then, by subtracting this conservatively low estimate of EESU supply from the optimistically high estimate of demand, he obtains an upper limit for EESU computer imports from the West.

The result is that, through 1985, Western nations would at most provide a cumulative total of $4.6 billion in data processing equipment to EESU. (This averages $386 million annually.) If U.S. firms would get as much as seventy-five percent of this figure, the total would be $289 million a year, or forty percent of overall U.S. sales.[21]

Do trade controls also imply foregone technological *imports* from Communist countries? There is probably no relationship, since COCOM restrictions do not apply to imports, and there is no evidence of comparable export controls in the U.S.S.R.[22] Still, there may be some way that loosening Western controls would improve U.S. access to certain areas of Communist technological superiority, perhaps via some exchange mechanism.[23]

In summary: The economic benefits that would accrue from changes in export control policy are difficult to assess. Stein's methodology offers a way to bound Western trade gains. Even this upper limit

[18]Quoted in *Business Week*, Jan. 12, 1974, p. 64.

[19]Vernon, *op. cit.*, p. 254.

[20]Marshall Goldman, "Who Profits More from U.S.-Soviet Trade?" *Harvard Business Review*, Nov. 1973.

[21]John Picard Stein, *Estimating the Market for Computers in the Soviet Union and Eastern Europe* (Santa Monica, Cal.: The Rand Corporation, 1974), R-1406-ARPA/CIEP.

[22]"It is interesting to note that the USSR allows us to import, on a regular basis, a sizable list of strategic commodities despite the Vietnam War: platinum, iridium, palladium, rhodium, nickel, magnesium, titanium, cadmium, chrome ore, molybdenum, and aluminum scrap." Franklin D. Holzman, "East-West Trade and Investment Policy Issues: Past and Future," *Soviet Economic Prospects for the Seventies*, U.S. Congress, Joint Economic Committee, 93rd Congress, 1st Session, 1973, p. 664n.

[23]For a discussion of technological quid pro quos, see James C. DeHaven, *Technology Exchange: Import Possibilities from the USSR* (Santa Monica, Cal.: The Rand Corporation), R-1414-ARPA.

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of future computer sales is considerably lower than many members of the U.S. business community have projected.

IV. THE POLITICAL IMPLICATIONS OF TRADE WITH THE ADVERSARY

Our review of the military implications of trade with the Communists suggested that in many cases, given the Soviet investment of a less technologically-intense force posture, the transfer of technology may not be as threatening to national security as is commonly feared. Our review of the potential economic benefits of relaxed export restrictions indicated that these are also probably not as extensive as is often assumed. But what about the political side of the question? What are the political costs and benefits involved in maintaining or relaxing the current policy of export controls?

Even if export restrictions were irrational from the perspective of their avowed purpose, they do exist. They are part of the status quo. If their removal could be used as a bargaining chip to obtain some reciprocal benefits—from the Soviet Union or China, from Eastern European countries, even from our COCOM allies—it would be foolish to relax them freely. As Vernon has observed, détente should not mean the wholesale collapse of all trade restrictions and regulations:

> Though our restrictions of the cold war period did not serve U.S. interests well, it does not follow that the simple removal of such restrictions will serve us much better.[24]

It does seem clear that the United States has more to offer the Soviet Union than they have to offer us, economically speaking. But it is also clear that the Soviets have plenty to offer politically. And it is this feeling that détente is a "trade giveaway,"[25] that the Soviets are essentially getting something for nothing, that bothers so many people in this country—much more so than the actual transfer of goods and technology itself. Thus as Vernon sees it, "the key question on which economic détente should turn" is "how far the United States is prepared to centralize and control its trade with the Soviet Union in order to ensure that the interaction between the two economies brings adequate benefits to the U.S. side."[26]

Such bargaining logic has its limits. There is something perverse about keeping bad policies because they might make good bargaining chips. If both sides follow such tactics, something akin to a tariff war occurs, and everyone is worse off. There is another consideration: To concede or to resist in one bargaining situation may inadvertently affect the appearance of firmness or sincerity in another. And to bargain badly, or crudely, as in the recent Jewish emigration controversy, may threaten to upset the whole bargaining process itself.

Nonetheless, to view export controls as part of a bargaining game—and therefore as part of a broader set of East-West relations—puts things in quite a different light than the usual bureaucratic perspective. Instead of COCOM line-drawing, where the question is: Which particular commodities should be restricted?, the issue shifts to diplomatic bargaining, where the question is: What quid pro quos could be obtained from what sorts of policy changes? And it would not be surprising if two such different questions should have quite different answers.

[24]Vernon, *op. cit.*, p. 250

[25]Cf. *Business Week*, January 12, 1974, pp. 64–66.

[26]Vernon, *op. cit.*, p. 261.

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Conclusions And Recommendations

Export controls are a shambles. Despite radical changes in the international economic and political situation in the quarter century since the height of the Cold War, when U.S. national security export controls were initiated, the same organizations continue to make U.S. export control policy, often using anachronistic criteria in their attempt to perpetuate an obsolete system. The result has been a quagmire of export regulations that neither effectively restricts Soviet access to so-called "controlled" items, nor provides a coherent explanation or rationale for making decisions. Instead of denying the Soviets access to desired Western goods and technology, the primary effect of U.S. export regulations has been to deny U.S. businessmen access to the Soviet market, as the Soviets obtain from the Europeans and Japanese what they cannot obtain in America. With further erosion or even the total collapse of the system of Western multilateral export restrictions likely, U.S. businessmen are concerned that they may lose further ground to their European and Japanese competitors in the Eastern markets, if they attempt to comply fully with U.S. export regulations. Hence, incentives for circumvention of the system are created, and its effectiveness is further diminished.

What is needed, then, is a new set of criteria for making export control policy—criteria appropriate for current political and economic realities. No longer can the United States dominate its allies as it could in 1950. The luxury of foregone exports is becoming increasingly difficult to afford. Moreover, a new export control policy should do what past export control policy should have been doing all along: it should incorporate and more evenly weight the full range of military, economic, and political considerations involved. Only then can the necessary trade-offs among these considerations be explicitly framed and confronted.

I. MILITARY CONSIDERATIONS

As we have seen, military considerations have been dominant in making U.S. export control decisions in the past. Even here there is substantial room for improvement. Typically, only two basic questions have been answered during list reviews in the past: Does the good have a military use in the United States? Does it contain a technology not possessed by the Communist countries? Affirmative answers to these two questions have almost invariably resulted in the good being restricted.[1] But the Serpukhov case discussed above demonstrates the limits of this type of analysis. There it was concluded that the additional computational capabilities would not have a significant effect on Soviet military strength. By asking more probing questions, the process could produce more sophisticated answers. The same applies to other export policy decisions as well.

Ideally, one would like to see the following questions asked in determining the national security implications of possible U.S. exports:

1. What military capabilities of ours and the adversary's (the Soviet Union, China, etc.) are important? (In what areas? Vis-à-vis what adversary? In what situation?)
2. What technologies lead to these military capabilities? (To what degree? With what possibilities for substituting other, perhaps nontechnological resources to obtain the same capabilities?)
3. How do the adversaries stand in these technologies (sophistication, production capabilities)? How are they likely to progress? How do we stand and how are we likely to progress?
4. If we "turn the dial" that allows more trade and technology transfer in these technologies, what is likely to happen (over what time frame?) to different adversaries' levels of technology, given their (a) needs and priorities, (b) ability to absorb the technology, and (c) substitution possibilities?

In practice, conclusive answers to these questions would be very difficult to obtain. But even if conclusive answers to such questions prove infeasible, judgments about the answers would advance our

[1]Furthermore, all strictly military goods are automatically restricted.

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level of understanding of the military ramifications of export policy by progressing beyond the rather simple-minded standards that have been used to make export control policy in the past.

II. ECONOMIC CONSIDERATIONS

Current export control decisions also fail to consider systematically the potential economic results of changes in export regulations. In an indirect way, the amounts of pressure for the relaxation of different goods that come from private firms and other governments reflect their estimates of foregone sales. But within the U.S. Government, the economic dimensions are not traded off with the security and political effects of increased exports in any structured fashion. And when the possible economic benefits of export deregulation are considered, they are typically undervalued in relation to military considerations.

Moreover, another set of economic considerations—the possible dangers involved in increased U.S.-Soviet trade—had hardly received attention at all. Especially in the initial enthusiasm which followed the signing of the 1972 U.S.-Soviet Trade Agreement, the problems inherent in trade between two such structurally different economic systems were often overlooked. In the years since, however, those problems have become increasingly apparent. One of the most important of them is the inherent imbalance of bargaining power between Soviet state-trading agencies and Western firms. Because of that monopsonistic power, the Soviets have been able to strike bargains at terms very advantageous to themselves (witness the "Great Grain Robbery" of 1972). The danger, as Raymond Vernon sees it, is that "the distribution of the economic benefits from détente may be so unbalanced as to threaten the process of détente itself . . . In simple economic terms, the United States is likely to get less out of the relationship than it now expects." [2] This is not a problem that the individual firms dealing with the Soviets can solve on their own; it requires government recognition and counteraction. Only the government can ensure that the full social cost to the United States economy of a particular good or technology is covered in its selling price to the Soviets—a cost that may be substantially higher than that incurred by a private seller.[3] This is a consideration that should be involved in the making of U.S. East-West trade policy and export control decisions.

What is needed is much more detailed and sophisticated information and analysis on the economic consequences of increased Soviet-American trade than that which has previously gone into the making of export policy. Ideally, one might want a thorough input-output analysis of the Soviet economy, one that paid close attention to possible bottlenecks and sharp discontinuities in the production possibility frontier—problems that are thought to be endemic in the Soviet economy. This would provide U.S. policy-makers with a much better idea of what the Soviets may particularly want or need, and thus what they should be willing to pay "bonus" prices for.

The foreign availability of a good or technology is, by law, an important consideration in U.S. export control decisions. It is futile for the U.S. to restrict items that the Soviets can obtain elsewhere. Too often, however, those in the CIA who have had the responsibility for assessing foreign availability have made unrealistically low estimates of the quality of comparable European and Japanese goods in order to justify restrictions on the American good —thus furthering their long-standing preference for continuing economic warfare against the Soviet Union. The effect of this is the same as the overall effect of U.S. export controls: not to deny the Soviets what they want but simply to put an arbitrary restriction on U.S. exports. A much more realistic appraisal of foreign availability—developed, perhaps, with the aid of U.S. businessmen—deserves increased emphasis in a revised U.S. export control policy.

III. POLITICAL CONSIDERATIONS

It is, of course, inaccurate to say that U.S. export controls have ignored political considerations entirely—for they have always been justified as contributing to the postwar U.S. policy of containment. What has not received sufficient attention, however, has been their general ineffectiveness in achieving that political goal and the serious diplomatic costs that the U.S. has incurred in pressuring its allies to go along.

New and more sophisticated criteria for judging political effects must be devised and incorporated in the policy-making process. Closer attention should be paid to opportunities where export control decisions (such as the decontrol of previously-restricted items) can help to achieve U.S. political objectives. This is a difficult task. On the one hand,

[2] Vernon, *op. cit.*, p. 250.

[3] Government research subsidies are one example of the difference between the private cost of a particular good or technology and its full social cost. Another is when the U.S. seller of a technology deprives other U.S. firms of a market for goods embodying the technology, as in the sale of production machinery for a semi-conductor plant, for example. Cf. Raymond Vernon and Marshall I. Goldman, "U.S. Policies in the Sale of Technology to the USSR," (mimeo), October, 1974.

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these political objectives cannot be formulated in such a general way as to be virtually meaningless (such as "stopping Communism" or "promoting détente," for example). There should be some visible, measurable tie between the export policy decision and the way it is supposed to achieve (or contribute to) its political goal. On the other hand, export policy cannot be *too* directly tied to a political *quid pro quo,* for the effort is likely to be counterproductive, as in the recent Jackson amendment episode. There are desirable political objectives that United States export policy can help to achieve, for example, building up Chinese military and technological strength *vis-à-vis* that of the Soviet Union, or fostering Eastern Europe's economic independence from the U.S.S.R. In other areas of the world, U.S. export controls can help to prevent the spread of nuclear weapons by placing tighter restrictions on the export of nuclear materials and technology.

IV. RECOMMENDATIONS

What might this mean in procedural and organizational terms? First of all, it seems clear that the present system of interagency committees (Working Group 1 and the Operating Committee) should be abolished. Much of the current trouble with export controls stems from the attempt to use old mechanisms to implement new policies. The result, of course, has been a shambles, as old and new policies are jumbled together incoherently.

In the place of the present system, we propose a "Board of Trade" to consist of Cabinet-level officials from each of the relevant departments and agencies involved in export regulation, backed up by a working group of officials from the same agencies. The Verification Panel and Verification Panel Working Group devised for the Strategic Arms Limitation Talks (and described in Volume V of this study) provide one interesting model for such an operation. Authorization for such a system is to be found in the Trade Act of 1974, which authorized the establishment of an "East-West Foreign Trade Board," consisting of Cabinet-level officials from a wide range of departments and agencies.[4] This board is only now being organized. But it could be used as the organizational base for a new system of export control management, since it is expressly directed to review proposed extensions of credits or investment guarantees and technology exports to the Communist countries not only on the basis of their potential effects on U.S. national security, but also with reference to their impact "on the production in the United States of the relevant articles, on employment in the United States in relevant industries, and on consumers in the United States." [5] In other words, it is specifically authorized to incorporate economic criteria into export control decision-making.

Hopefully, the broad range of agencies represented on the board and its directive to "coordinate the policies and operations of all agencies of the United States which regulate or participate in trade with nonmarket economy countries" [6] will help it supersede the relatively narrow-minded approach that has traditionally been taken toward export control, an approach that has reflected the narrow range of groups involved in export policy decisions in the past. Most of these groups have been technically oriented, and thus ill-equipped to deal with the economic, political, and even some of the military implications of export control decisions. By itself, however, membership on such a board by a broad range of Cabinet secretaries will not be enough to counteract that imbalance, since the group will obviously have little time to devote to export policy matters. Also necessary is a working-level staff with a wide range of knowledge and expertise on the full set of relevant considerations. This staff should involve, either directly or through consultative relationships: [7]

1. Broad interagency participation—not only from the DOD technologists, but also from the Policy Planning and Evaluation Staff of OSD, the staff of the Joint Chiefs of Staff, the CIA's Office of Strategic Research, and the Arms Control and Disarmament Agency. These organizations have both the expertise and the information necessary for drawing the crucial link between technological capabilities and the enhancement of important military capabilities, a link that has typically been fudged by ill-founded analogies from U.S. military force posture. In addition, trade specialists and other experts on Soviet political and economic affairs could be drawn from the Departments of State, Commerce, and Treasury, as well as from other government agencies, in order to more fully integrate these considerations with military ones.

2. Representatives of the academic and busi-

[4] "The Board shall be composed of the Special Representative for Trade Negotiations, who shall serve as chairman, the Secretary of State, the Secretary of Defense, the Secretary of the Treasury, the Secretary of Commerce, the Secretary of Agriculture, the Secretary of Interior, the Chairman of the Board of Governors of the Federal Reserve System, the President of the Export-Import Bank of the United States, the Chairman of the Federal Power Commission, the Administrator of the Energy Research Development Administration, and the Director of the National Science Foundation." *Congressional Record,* December 13, 1974, p. S 21466.

[5] *Ibid.*

[6] *Ibid.*

[7] These recommendations draw heavily upon those in Hardt and Holliday, *op. cit.*, p. 77, and those made in private conversation by Dana I. Robinson.

ness communities, who could be formed into additional Technical Advisory Committees that might (a) assess the Soviet economic and political situation, (b) gauge the foreign availability of proposed U.S. exports, (c) monitor new technological developments to judge whether they should be subject to export restrictions or not, and (d) establish procedures for evaluating the success or failure of the export control process itself.

This broadened participation should be supplemented by new procedures for providing information on the "state of the art" in Communist countries and on the foreign availability of U.S. goods and technology. The CIA has been unwilling to provide objective, realistic assessments of these situations. Competitive alternative sources of information on such questions should therefore be established. One of these might be under the Council on International Economic Policy (CIEP)—if that body is to remain in existence at all. Another possibility is State's Office of East-West Trade, or its Science Attachés stationed at American embassies in Communist countries. These groups could act as clearing-houses for information on the state of technology in the Communist countries that might balance CIA judgments. They could also work in concert with the proposed Technical Advisory Committee on foreign availability in order to provide export policy decision-makers with a much more realistic assessment of what the probable effects of restrictions on the export of U.S. technology would be.

In addition, a permanent Congressional committee or subcommittee might be established to deal with the problem of East-West trade and to oversee the operations of the new East-West Foreign Trade Board. Such a committee might be patterned after the Jackson Subcommittee on SALT, and would provide the necessary liaison between Congress and the Executive on this important matter. As Hardt and Holliday conclude,

> Congressional involvement would permit a broader representation of U.S. public opinion and facilitate passage of legislative measures needed to improve U.S.-Soviet commercial relations. Without continuous involvement of the Congress and private interests, it would be difficult to have an informed debate on important issues.[8]

Close Congressional contact with the proposed board of trade would lessen the danger of Congress refusing to go along with agreements made by the board with foreign countries which require legislative action or approval (such as the granting of most-favored-nation status or Eximbank credits, for example).

The desired outcome of this reorganization would be a vastly shrunken control list of truly strategic, militarily important items. It would be based on the technology of the seventies, not the precedents of the fifties. In addition, the requirements for validated licenses for exports to non-Communist countries could also be significantly reduced—requirements which do little or nothing to protect U.S. security but which only create busywork for export control specialists in government and industry. This list would be far more manageable both at home and abroad. With a much more realistic and limited list of clearly defined, militarily significant commodities, potential exporters of U.S. goods and technology will have a much better idea of where they stand before they attempt to find their way through the maze of export regulations. And with significant reductions both in the number of controlled items and in the requirements for validated licenses for exports to non-Communist countries, the export controllers will no longer be spread so thin, making the remaining regulations more enforceable. In addition, this reduced list of strategic items may well be the only way of saving multilateral export restrictions at all.

The proposals put forth here are a tall order. The quality and quantity of information needed to implement the procedural and organizational changes suggested above are considerably higher than those currently involved in export control decision-making (although the problem may be more one of bringing together information already scattered throughout the government than of collecting and analyzing additional data). Moreover, the expertise required for a full assessment of all the relevant military, economic and political considerations is high, and the problem of making well reasoned trade-offs among such disparate considerations is formidable.

Is it worth it? For example, the hoped for increase in political benefits to the U.S. to be gained from a fuller integration of political considerations into export policy-making will no doubt be difficult to achieve, and a "bargaining chip" approach to export control policy runs a considerable risk of backfiring. The costs of such a system may well outweigh the potential benefits from a full integration of all the relevant considerations discussed above. Given the scarcity of intelligence and energy required to do the job right, the opportunity cost of allocating those resources to export control may be too high; those talents might be better applied to more important problems.

In that case, a second-best solution to the problem of controlling exports on national security grounds should focus on reducing the present con-

[8]Hardt and Holliday, *op. cit.*, p. 77.

trol list to only those items of clear contemporary strategic importance and monitoring those goods closely—leaving the complex political and economic considerations to occasional decisions by high-level policy-makers. Four major changes in the present system are particularly needed:

1. A revised, reduced, and up-to-date list of those goods and technologies which are truly strategic, now and in the next decade. (A study on this very question is presently being conducted in DDR&E.)

2. The preparation of an alphabetized list of controlled and/or embargoed "strategic commodities" separate from the Census Bureau's "Schedule B" list used in the collection of foreign trade statistics. The present dependence upon Schedule B as the index that potential exporters use to review the Commodity Control List to determine whether a validated license is required for their particular item represents the ultimate weakness of the entire system, since the Schedule B classifications are often so general that they allow goods that should be controlled to slip through unnoticed.

3. A sharp reduction in the reliance placed on "end-use" guarantees in licensing decisions. The vast majority of high-technology products should be described in sufficiently accurate and detailed technical terms so that their basic capabilities are the determining factor in whether they require embargo or some less severe form of monitoring and licensing. Certain very large systems with significant dual capabilities, however, should continue to be judged on the basis of end use and include certain safeguards, such as proposed for some computer cases recently.

4. The establishment of alternative sources of information on technological development in the Communist countries and on the foreign availability of proposed U.S. exports, as described above.

Since this "second-best" solution would be in keeping with the past U.S. policy of "strategic" controls, it stands a better chance of successful implementation than the "optimal" solution proposed earlier, which emphasized trade-offs among politics, economics, and national security. It also poses much less severe intellectual challenges, as it would not require such thorough analyses of the political and economic ramifications of East-West trade. Of course, this approach would not correct the basic *logical* flaw of postwar U.S. export control policy—its avoidance of those considerations—but it may be the best we can realistically hope for.

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