

Y4  
.Ar 5/3  
P94/6/1  
967-2

1033x1034

967-2  
P94/6/1  
Ar 5/3  
967-2

# SUPPLEMENTAL MILITARY PROCUREMENT AND CONSTRUCTION AUTHORIZATIONS, FISCAL YEAR 1967

GOVERNMENT  
Storage

## HEARINGS BEFORE THE COMMITTEE ON ARMED SERVICES AND THE SUBCOMMITTEE ON DEPARTMENT OF DEFENSE OF THE COMMITTEE ON APPROPRIATIONS UNITED STATES SENATE NINETIETH CONGRESS

FIRST SESSION

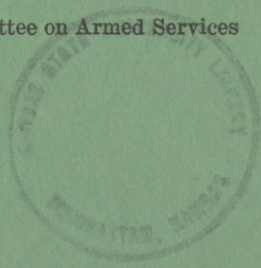
ON

### S. 665

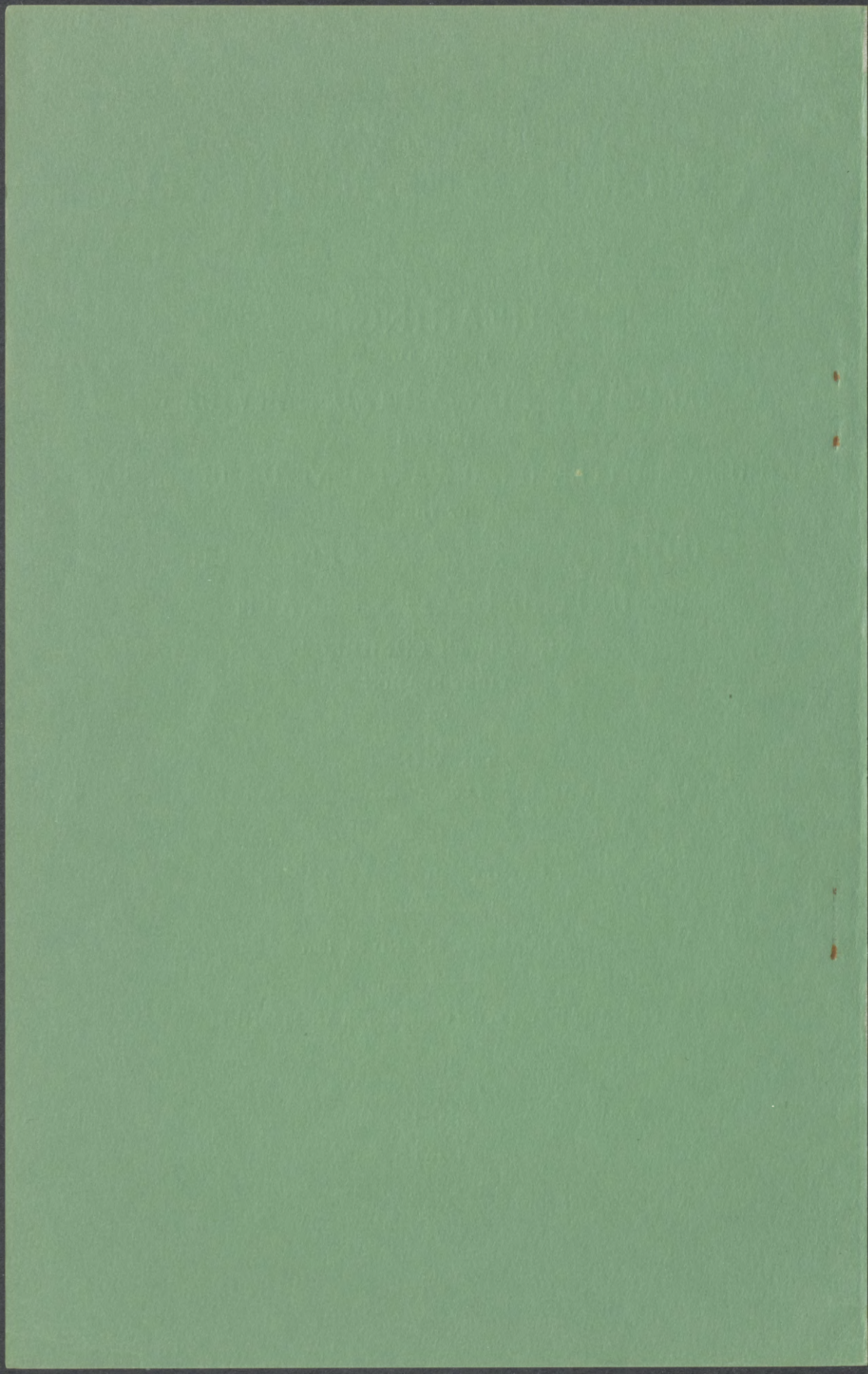
TO AUTHORIZE APPROPRIATIONS DURING FISCAL YEAR 1967 FOR PROCUREMENT OF AIRCRAFT, MISSILES, TRACKED COMBAT VEHICLES, RESEARCH, DEVELOPMENT, TEST, EVALUATION, AND MILITARY CONSTRUCTION FOR THE ARMED FORCES, AND FOR OTHER PURPOSES

JANUARY 23, 24, AND 25, 1967

Printed for the use of the Committee on Armed Services



KSU LIBRARIES  
A11900 477946 ✓



**SUPPLEMENTAL MILITARY PROCUREMENT AND CON-  
STRUCTION AUTHORIZATIONS, FISCAL YEAR 1967**

---

---

**HEARINGS**  
BEFORE THE  
**COMMITTEE ON ARMED SERVICES**  
AND THE  
**SUBCOMMITTEE ON DEPARTMENT OF DEFENSE**  
OF THE  
**COMMITTEE ON APPROPRIATIONS**  
**UNITED STATES SENATE**

NINETIETH CONGRESS

FIRST SESSION

ON

**S. 665**

TO AUTHORIZE APPROPRIATIONS DURING FISCAL YEAR 1967  
FOR PROCUREMENT OF AIRCRAFT, MISSILES, TRACKED  
COMBAT VEHICLES, RESEARCH, DEVELOPMENT, TEST, EVAL-  
UATION, AND MILITARY CONSTRUCTION FOR THE ARMED  
FORCES, AND FOR OTHER PURPOSES

---

JANUARY 23, 24, AND 25, 1967

---

Printed for the use of the Committee on Armed Services



U.S. GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1967

COMMITTEE ON ARMED SERVICES

RICHARD B. RUSSELL, Georgia, *Chairman*

JOHN STENNIS, Mississippi  
STUART SYMINGTON, Missouri  
HENRY M. JACKSON, Washington  
SAM J. ERVIN, Jr., North Carolina  
HOWARD W. CANNON, Nevada  
ROBERT C. BYRD, West Virginia  
STEPHEN M. YOUNG, Ohio  
DANIEL K. INOUE, Hawaii  
THOMAS J. MCINTYRE, New Hampshire  
DANIEL B. BREWSTER, Maryland  
HARRY F. BYRD, JR., Virginia

MARGARET CHASE SMITH, Maine  
STROM THURMOND, South Carolina  
JACK MILLER, Iowa  
JOHN G. TOWER, Texas  
JAMES B. PEARSON, Kansas  
PETER H. DOMINICK, Colorado

WILLIAM H. DARDEN, *Chief of Staff*  
CHARLES B. KIRBOW, *Chief Clerk*

---

COMMITTEE ON APPROPRIATIONS

SUBCOMMITTEE ON DEPARTMENT OF DEFENSE

RICHARD B. RUSSELL, Georgia, *Chairman*

CARL HAYDEN, Arizona  
LISTER HILL, Alabama  
JOHN L. McCLELLAN, Arkansas  
ALLEN J. ELLENDER, Louisiana  
JOHN STENNIS, Mississippi  
JOHN O. PASTORE, Rhode Island  
WARREN G. MAGNUSON, Washington  
A. S. MIKE MONRONEY, Oklahoma  
MIKE MANSFIELD, Montana

MILTON R. YOUNG, North Dakota  
MARGARET CHASE SMITH, Maine  
KARL E. MUNDT, South Dakota  
GORDON ALLOTT, Colorado  
THOMAS H. KUCHEL, California

---

WILLIAM W. WOODRUFF, *Assistant Chief Clerk to the Committee*  
FRANCIS S. HEWITT, *Clerk to Subcommittee*  
JOSEPH L. BORDA, *Minority Counsel*

# SUPPLEMENTAL MILITARY AUTHORIZATIONS AND DEFENSE APPROPRIATIONS FOR FISCAL YEAR 1967

MONDAY, JANUARY 23, 1967

U.S. SENATE,  
COMMITTEE ON ARMED SERVICES,  
AND SUBCOMMITTEE ON DEPARTMENT OF DEFENSE  
OF THE COMMITTEE ON APPROPRIATIONS,  
*Washington, D.C.*

The Committee on Armed Services and the Subcommittee on the Department of Defense of the Committee on Appropriations met in joint session, at 10:05 a.m., in room 1224, New Senate Office Building, Hon. Richard B. Russell (chairman) presiding.

Present: Senators Russell, Ellender, McClellan, Stennis, Pastore, Monroney, Symington, Jackson, Cannon, Byrd of West Virginia, Young of Ohio, McIntyre, Inouye, Brewster, Young of North Dakota, Smith, Allott, Thurmond, Miller, Pearson, and Dominick.

Also present: Senator Hruska.

Of the staff of the Committee on Armed Services: William H. Darden, chief of staff; T. Edward Braswell and Gordon A. Nease, professional staff members; Charles B. Kirbow, chief clerk; and James Kendall, chief counsel, Preparedness Subcommittee.

Of the staff of the Committee on Appropriations: William W. Woodruff, assistant chief clerk to the committee; Francis S. Hewitt, clerk to the subcommittee; and Vorley M. Rexroad, professional staff member.

## DEPARTMENT OF DEFENSE

### OFFICE OF THE SECRETARY

STATEMENTS OF HON. ROBERT S. McNAMARA, SECRETARY OF  
DEFENSE, AND GEN. EARLE G. WHEELER, U.S. ARMY, CHAIR-  
MAN, JOINT CHIEFS OF STAFF

### AUTHORIZATION BILL AND TABLE

Chairman RUSSELL. At this point in the record, the authorization bill, S. 665, and a tabulation of new obligational authority will be inserted.

(The bill and tabulation follow:)

[S. 665, 90th Cong., 1st sess.]

A BILL To authorize appropriations during fiscal year 1967 for procurement of aircraft, missiles, tracked combat vehicles, research, development, test, evaluation, and military construction for the Armed Forces, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## TITLE I—PROCUREMENT

SEC. 101. In addition to the funds authorized to be appropriated under Public Law 89-501, there is hereby authorized to be appropriated during the fiscal year 1967 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, and tracked combat vehicles in amounts as follows:

## Aircraft

For aircraft: for the Army, \$533,100,000; for the Navy and the Marine Corps, \$1,703,300,000; for the Air Force, \$1,303,000,000.

## Missiles

For missiles: for the Army, \$6,100,000; for the Navy, \$48,700,000; for the Marine Corps, \$2,100,000; for the Air Force, \$45,000,000.

## Tracked Combat Vehicles

For tracked combat vehicles: for the Army, \$62,200,000; for the Marine Corps, \$4,200,000.

## TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 201. In addition to the funds authorized to be appropriated under Public Law 89-501, there is hereby authorized to be appropriated during the fiscal year 1967 for the use of the Armed Forces of the United States for research, development, test and evaluation, as authorized by law, in amounts as follows:

For the Army, \$40,000,000;  
 For the Navy (including the Marine Corps), \$40,000,000;  
 For the Air Force, \$33,000,000; and  
 For Defense Agencies, \$22,000,000.

## TITLE III—MILITARY CONSTRUCTION

SEC. 301. The Secretary of each military department may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, which are necessary in connection with military activities in southeast Asia, or in support of such activities, in the total amount as follows:

Department of the Army, \$288,500,000;  
 Department of the Navy, \$140,000,000; and  
 Department of the Air Force, \$196,000,000.

SEC. 302. The Secretary of each military department may proceed to establish or develop installations and facilities under this Act without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529) and sections 4774(d) and 9774(d) of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

SEC. 303. There are authorized to be appropriated such sums as may be necessary for the purposes of this title, but the appropriations for public works authorized by section 301 shall not exceed: Department of the Army, \$288,500,000; Department of the Navy, \$140,000,000; Department of the Air Force, \$196,000,000, or a total of \$624,500,000.

*Fiscal year 1967 supplemental Defense Department authorizations and appropriations*  
 (In thousands of dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Fiscal year 1967 regular appropriation	Military and civilian pay increase	Medical and homeowners supplemental	1967 southeast Asia supplemental estimate	Total 1967 supplemental	Total 1967 regular and supplemental	1967 supplemental SFA authorization requirements
<b>Military personnel:</b>							
Military personnel, Army.....	6,164,400	78,500		650,500	729,000	6,893,400	
Military personnel, Navy.....	3,652,100	77,700		220,800	248,500	3,950,600	
Military personnel, Marine Corps.....	1,183,200	24,300		58,400	82,700	1,265,900	
Military personnel, Air Force.....	5,015,800	106,300		403,700	510,000	5,525,800	
Reserve personnel, Army.....	288,211	6,200		14,900	21,100	309,311	
Reserve personnel, Navy.....	112,600	800				113,400	
Reserve personnel, Marine Corps.....	36,500	800			800	37,300	
Reserve personnel, Air Force.....	69,700	1,100			1,100	70,800	
National Guard personnel, Army.....	346,533	8,520		15,280	23,800	370,333	
National Guard personnel, Air Force.....	82,000	1,910		290	2,200	84,200	
Retired pay, Defense.....	1,780,000	34,000			34,000	1,814,000	
Proposed legislation.....							
<b>Total, military personnel.....</b>	<b>18,751,044</b>	<b>340,130</b>		<b>1,363,870</b>	<b>1,704,000</b>	<b>20,455,044</b>	
<b>Operation and maintenance:</b>							
Operation and maintenance, Army.....	5,122,427	64,000	29,000	1,468,000	2,061,000	7,183,427	
Operation and maintenance, Navy.....	3,980,300	42,000	25,000	624,000	691,000	4,671,300	
Operation and maintenance, Marine Corps.....	325,600	2,300		96,700	99,000	424,600	
Operation and maintenance, Air Force.....	4,943,100	49,000	17,000	528,000	594,000	5,537,100	
Operation and maintenance, Defense agencies.....	806,500	20,300		85,800	106,100	912,600	
Operation and maintenance, Army National Guard.....	231,000					231,000	
Operation and maintenance, Air National Guard.....	253,300	1,400			1,400	254,700	
National Board for the Promotion of Rifle Practice, Army.....						494	
Claims, Defense.....	25,000			9,000	9,000	34,000	
Contingencies, Defense.....	15,000					15,000	
Court of Military Appeals.....	600					600	
Proposed legislation.....							
<b>Total, operation and maintenance.....</b>	<b>15,703,321</b>	<b>179,000</b>	<b>71,000</b>	<b>3,311,500</b>	<b>3,551,500</b>	<b>19,264,821</b>	

## Fiscal year 1967 supplemental Defense Department authorizations and appropriations—Continued

(In thousands of dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Fiscal year 1967 regular appropriation	Military and civilian pay increase	Medical and homeowners supplemental	1967 southeast Asia supplemental estimate	Total 1967 supplemental	Total 1967 regular and supplemental	1967 supplemental S.E.A. authorization requirements
<b>Procurement:</b>							
Procurement of equipment and missiles, Army.....	3,483,300	-----	-----	2,130,000	2,130,000	5,613,300	601,400
Procurement of aircraft and missiles, Navy.....	1,789,900	-----	-----	1,752,000	1,752,000	3,541,900	1,752,000
Shipbuilding and conversion, Navy.....	1,756,700	-----	-----	-----	-----	1,756,700	-----
Other procurement, Navy.....	1,968,300	-----	-----	287,000	287,000	2,255,300	-----
Procurement, Marine Corps.....	262,900	-----	-----	253,000	253,000	515,900	6,300
Aircraft procurement, Air Force.....	4,017,300	-----	-----	1,303,000	1,303,000	5,320,300	1,303,000
Missile procurement, Air Force.....	1,189,500	-----	-----	45,000	45,000	1,234,500	45,000
Other procurement, Air Force.....	2,122,000	-----	-----	536,000	536,000	2,658,000	-----
Procurement, Defense agencies.....	51,300	-----	-----	-----	-----	51,300	-----
Total, procurement.....	16,641,800	-----	-----	6,306,000	6,306,000	22,947,800	3,707,700
<b>Research, development, test, and evaluation:</b>							
Research, development, test, and evaluation, Army.....	1,528,700	-----	-----	40,000	40,000	1,568,700	40,000
Research, development, test, and evaluation, Navy.....	1,758,600	-----	-----	40,000	40,000	1,798,600	40,000
Research, development, test, and evaluation, Air Force.....	3,112,600	-----	-----	33,000	33,000	3,145,600	33,000
Research, development, test, and evaluation, Defense agencies.....	459,059	-----	-----	22,000	22,000	481,059	22,000
Emergency fund, Defense.....	125,000	-----	-----	-----	-----	125,000	-----
Total, research, development, test, and evaluation.....	6,983,959	-----	-----	135,000	135,000	7,118,959	135,000
Special foreign currency program.....	7,348	-----	-----	-----	-----	7,348	-----
<b>Revolving funds:</b>							
Army stock fund.....	-----	-----	-----	-----	-----	-----	-----
Navy stock fund.....	-----	-----	-----	351,000	351,000	351,000	-----
Marine Corps stock fund.....	-----	-----	-----	77,000	77,000	77,000	-----
Air Force industrial fund.....	-----	-----	-----	-----	-----	-----	-----
Defense stock fund.....	-----	-----	-----	107,000	107,000	107,000	-----
Total, revolving funds.....	-----	-----	-----	535,000	535,000	535,000	-----
Total, military personnel, operation and maintenance, procurement, R.D.T. & E., revolving funds, and foreign currency program.....	58,067,472	519,130	71,000	11,651,370	12,241,500	70,308,972	3,842,700

Military construction:									
Military construction, Army.....	114, 014				288, 500			402, 514	288, 500
Military construction, Navy.....	126, 918				140, 000			266, 918	140, 000
Military construction, Air Force.....	205, 495				196, 000			401, 495	196, 000
Military construction, Defense agencies.....	7, 547							7, 547	
Military construction, Army Reserve.....									
Military construction, Naval Reserve.....	5, 400							5, 400	
Military construction, Air Force Reserve.....	3, 600							3, 600	
Military construction, Army National Guard.....									
Military construction, Air National Guard.....	9, 400							9, 400	
Loran stations, Defense.....									
Transfer from southeast Asia fund.....									
Total, military construction.....	472, 374				624, 500			1, 096, 874	624, 500
Family housing.....	507, 196							507, 196	
Homeowner's assistance.....				11, 000				11, 000	
Total family housing, Defense.....	507, 196			11, 000				518, 196	
Civil defense:									
Operation and maintenance, civil defense.....	66, 100							66, 100	
Shelter, construction and research, and development.....	35, 000							35, 000	
Construction of facilities, civil defense.....									
Total, civil defense.....	101, 100							101, 100	
Total, military functions.....	59, 148, 142	519, 130			12, 275, 870			72, 025, 142	4, 467, 200
Military assistance.....	792, 000			82, 000				792, 000	
Total, Department of Defense.....	59, 940, 142	519, 130		82, 000	12, 275, 870			72, 817, 142	4, 467, 200
Estimated expenditures, Department of Defense.....	58, 300, 000							67, 950, 000	

## 1967 SOUTHEAST ASIA SUPPLEMENTAL AND 1968 DEFENSE PROGRAMS

Chairman RUSSELL. The committee will come to order. The Standing Committee on Armed Services and the Subcommittee on the Department of Defense of the Committee on Appropriations are meeting jointly this morning to begin our posture hearings, and also to hear testimony from Secretary McNamara as to the supplement authorization and appropriations required for the effort the United States is conducting in southeast Asia. The President's budget message has not yet been transmitted to the Congress. Until it is, the Chair understands that the specific figures to be discussed this morning are not to be made public. An unclassified version of the Secretary's testimony will be furnished as soon as the budget message is made public.

Since the testimony supporting the supplemental authorization request is substantially the same as that supporting the appropriation request, the committees are considering these items jointly, and after the hearings are finished, there will be separate meetings and deliberations in executive session.

## COMMITTEE PROCEDURE

Seating for our hearings has been arranged in accordance with Senate seniority and recognition for questioning will be in the same order. To permit all members of the committee to have an opportunity to ask questions without waiting an unreasonable period of time, the Chair suggests that we limit our questions on any one round to 10 minutes for each Senator.

Mr. Secretary, it has been found from experience heretofore that we move along better if questions are not propounded during the time you make your statement, that often information that is sought to be elicited by the question appears later in the statement, and it is therefore repetitious. After the testimony and questioning on the supplemental for Vietnam are completed, the Chair hopes that we can continue with the Secretary on the authorizations and appropriations for fiscal year 1968.

Before the Secretary begins his statement, the Chair wishes to note with pleasure the assignment of Senators Pearson and Dominick to the Committee on Armed Services, and on behalf of the committee I extend to both of you gentlemen a very cordial and hearty welcome. We know that you will both contribute substantially to our deliberations and activities during this session of the Congress.

Senator PEARSON. Thank you, Mr. Chairman.

Senator DOMINICK. I know we are both anxious to be here and are glad to be here.

Chairman RUSSELL. We are delighted to have you.

Mr. Secretary, we welcome you and General Wheeler before the committee again. You may proceed with your statement.

## SOUTHEAST ASIA SUPPLEMENTAL

Secretary McNAMARA. Thank you very much, Mr. Chairman. I have really four statements that may be of interest to the committee, one of which is in front of you. It is the classified statement supporting the budget request for the supplement to the fiscal year 1967 budget. There is an unclassified version of this in the hands of the committee

now, but as the chairman indicated, I believe it would be wise to defer distributing it to the press until Wednesday, so that it may follow, as it should, the release of the President's Budget Message.

There are over on the table in the back corner of the room copies of the classified statement that I will present to you on the fiscal 1968 program. If any of you choose to or have an opportunity to glance at it before we discuss it in this hearing, I would be very pleased to have you do so.

There is also an unclassified version of that statement, that will run perhaps 200 pages, which will be available for distribution to the press at a time of the committee's choosing later this week.

Now, Mr. Chairman, I would like to read portions of this classified statement supporting the supplemental and place the entire text in the record. The portions that I propose to read are lined in blue on the page borders of your copy. I think I can complete the reading of those portions, which are the most important portions, by perhaps 10 minutes after 11; General Wheeler and I will be very pleased to take your questions at that time.

(The unclassified version of Secretary McNamara's statement follows:)

Mr. Chairman and members of the committee, last year when I appeared before this Committee in support of the FY 1967-71 program and the FY 1967 Budget I said:

"With regard to the preparation of the FY 1967-71 program and the FY 1966 Supplemental and the FY 1967 Budget, we have had to make a somewhat arbitrary assumption regarding the duration of the conflict in Southeast Asia. Since we have no way of knowing how long it will actually last, or how it will evolve, we have budgeted for combat operations through the end of June 1967. This means that if it later appears that the conflict will continue beyond that date, or if it should expand beyond the level assumed in our present plans, we will come back to the Congress with an additional FY 1967 request."

Throughout the spring and summer of last year in my appearances before various Congressional Committees, I reiterated the fact that the FY 1967 Budget was based on the arbitrary assumption that the conflict would end by June 1967, and that additional funds would be required if the conflict continued. I also repeatedly stated, both before the Congressional Committees and in public statements, that defense spending would rise above the Budget level if we had to take actions to provide for the continuation of the conflict beyond June 30, 1967.

For example, on February 25, 1966, I explained to the Senate Armed Services Committee and the Subcommittee on Department of Defense Appropriations:

"If it later appears that they [i.e., combat operations in Vietnam] will extend beyond that date, it will be necessary to supplement the fiscal year 1967 Budget.

"The reason why that planning assumption [i.e., that the conflict would end June 30, 1967] causes the 1967 total obligation authority to drop below 1966 is that there are long lead items that may have to be used in combat, let's say in the period January-June 1967, which can't be financed in the fiscal year 1967 Budget and be delivered in time. Therefore they must be financed in the fiscal year 1966 Budget, if we are to have them on hand when we need them. That is why the total obligational authority for 1966 is higher than 1967.

"Now, if later this year it appears that combat will extend beyond June of 1967, at high levels, then in the case of similar long lead items it will be necessary for us to come back to the Congress and ask for additional appropriations."

I said a little later:

"\* \* \* I think it would be irresponsible for us to come forward, now, today, with a higher figure, because it is extremely difficult to estimate the level of combat operations 18 months in advance, and very wasteful if we are to estimate on the high side, and quite unnecessary because the lead times don't require financing now."

On August 1, 1966, when I appeared before the Senate Subcommittee on Defense Appropriations in support of our appeals on the House action on the FY 1967 Appropriation Bill, I noted again that the FY 1967 Budget was based on the arbitrary assumption that combat operations would terminate June 30, 1967. I went on to say:

"As we get closer and closer to that date, it becomes more and more necessary to plan on the possibility of that not happening. We are considering that possibility. We, at present, however, do have sufficient funds to carry us on for several additional months.

"At the moment I would not recommend a supplemental, although I think one some time during 1967 is very likely. The reason I would not recommend it today \* \* \* is that there are still many uncertainties not only as to the duration of the conflict, but also with respect to the level of operations that needs to be financed."

I pointed out that we had just completed a review of our air ordnance production programs and were reviewing our production plans for ground ordnance and aircraft. I concluded by saying:

"\* \* \* To the extent that we can finance our operations with the presently requested funds and push the timing of the submission of a supplemental into the future, I think we will be able to come forward with a more precise estimate of our total requirements \* \* \*."

With regard to the additional \$569 million added by the House for active duty military personnel, I pointed out that our military personnel strength estimates were still fluctuating widely. I suggested that rather than coming forward with one personnel estimate today and a different one tomorrow, and constantly changing our funding requirement, we would be better advised to use the special authority we have in the Appropriation Bill to expend whatever funds are necessary for military personnel. I pointed out:

"\* \* \* that almost surely we will expend the additional \$569 million that the House inserted in the bill."

And I added later:

"More likely it will be higher than that level rather than lower."

What we were trying to do was to avoid the overfunding which occurred during the Korean War when the Defense Department requested far more funds than were actually needed. For example, the Defense Department requested a total of about \$164 billion for the three fiscal years 1951-53; the Congress appropriated a total of \$156 billion; the amount actually expended was \$102 billion; and the unexpended balances rose from \$10.7 billion at the end of FY 1950 to \$62 billion by the end of FY 1953. It took about five years to work the unexpended balance down to about \$32 billion; and we were able to support a Defense program of about \$50 billion a year during FY 1962-64 with about \$30 billion of unexpended balances.

The excessive unexpended balances built up during the Korean War were duly noted by the Appropriations Committees. Mr. Mahon, for example, commented in February 1953:

“\* \* \* that will cause our colleagues and the press and the public who have not had a chance to study this to say, ‘Are the members of the Appropriations Committee crazy in appropriating \$41 billion, more or less, when they already have an unexpended balance of \$62 billion?’”

Although we still have no way of knowing when the conflict will end, it is perfectly clear that we must take whatever measures are necessary to ensure our ability to support our forces in the event the conflict does continue beyond June 30, 1967. Indeed, when it became apparent last summer that this was likely to be the case, we continued the build-up of our military personnel strength beyond the level anticipated in the FY 1967 Budget and took action to ensure that deliveries of long lead time items would continue beyond June 30, 1967, without interruption. The Congress was informed of these actions through the reprogramming process and related hearings.

But, while it was clear even last summer that additional funds would be required for FY 1967 if the conflict in southeast Asia were to continue, the timing and the amount of the additional request posed a problem. With regard to timing, we had essentially two alternatives: (1) request an amendment to the FY 1967 Budget in the summer of 1966, while it was still before the Congress; or (2) wait until early the following year and request a Supplemental appropriation. Each of these alternatives had certain advantages and disadvantages.

First, we still could not see clearly last summer the full dimensions of our requirements for southeast Asia. There was at that time a wide range of uncertainty concerning the size of the forces required, their composition, and their tempo of operation. Consequently, we could not determine with any degree of precision how many more men we would need through the balance of the fiscal year, how much more ammunition and other supplies we would consume, how many more aircraft we would lose as a result of enemy action, and how much more construction we would need in Vietnam and elsewhere to support the larger forces that might be required. Without these data, we could only guess the amount of the additional funds which would be needed for the balance of the fiscal year.

Second, many of the decisions which would have been involved in preparing an amendment to the FY 1967 Budget would also have been involved in preparing the FY 1968 Budget, and these decisions could be made with much greater assurance of accuracy later in the year. Indeed, I am convinced that had we gone forward with an amendment last summer, the FY 1967 Budget would have had to undergo still another drastic adjustment because of the decisions made in connection with the FY 1968 Budget. In other words, a FY 1967 Supplemental would have been needed in any event.

The major disadvantage of waiting for a Supplemental has been the need to reprogram, on a rather large scale, available FY 1967 funds to meet our most urgent longer lead time procurement requirements, pending the availability of the additional funds. We recognize that this extensive reprogramming has placed an extra burden not only on the Defense Department but on the Armed Services Committees and

the Defense Appropriations Subcommittees as well. Some of these reprogramming actions required the prior approval of this and other interested Committees; all of them have been reported to the Committees concerned. However, in order to facilitate your consideration of the FY 1967 Supplemental request we have prepared a recapitulation of all of the major procurement program adjustments affecting that fiscal year, which will be furnished separately.

Now, with a year and a half of combat experience in Southeast Asia behind us, I believe that we have a much better understanding of our future requirements. In October 1965, when the FY 1967 Budget was being developed, we were in the midst of an explosive build-up in South Vietnam, it was then that we moved over 100,000 men 10,000 miles in less than 120 days. The future was impossible to predict with accuracy. In contrast, in October 1966 at the time of the preparation of the FY 1968 program, we could look ahead to the time when our forces in Southeast Asia could be expected to level off. Moreover, we have acquired a significant amount of data on actual consumption rates for individual items of ground and air munitions and on combat attrition rates for the various types of rotary and fixed-wing aircraft, and we can now project our requirements for these two very important categories of materiel much more accurately than was possible even last summer. And, I might point out that the rates of consumption and attrition actually experienced for many specific items have turned out to be quite different from those we projected last year—lower as well as higher.

Since we can now project our requirements for the conflict in Southeast Asia with far greater confidence than last year, we have changed our basic approach in preparing the FY 1967 Supplemental as well as the FY 1968 Budget. Sufficient funds are being requested in both the FY 1967 Supplemental and the FY 1968 Budget to protect the production lead time on all combat essential items until FY 1969 funds would become available. For example, in the case of ammunition, which is perhaps the category of materiel most affected by combat operations, we are requesting funds to cover the full production lead time beyond the end of FY 1968. Because ammunition reorder lead time averages about six months, this means that the FY 1968 Budget provides funds to finance ammunition deliveries at rates sufficient to support operations in Southeast Asia through December 1968. Thus, if it later appears that the conflict will continue beyond June 30, 1968, we would be able to use FY 1969 funds to order additional ammunition for delivery after December 1968 and keep the production lines going without interruption.

In the case of aircraft, which have a production lead time of about 18 months, we have included sufficient funds in the FY 1967 Supplemental and the regular FY 1968 Budget to cover deliveries at rates sufficient to offset combat attrition in Southeast Asia to January 1, 1970. If it later appears that all of such aircraft will not be required to replace combat attrition, the production of some might be cancelled and some used to modernize the forces at a faster rate than presently planned.

Similar provisions have been made in the FY 1967 Supplemental and the FY 1968 Budget for other categories of materiel which would be affected by the continuation of combat operations in Southeast Asia

beyond June 1968. Accordingly, barring a significant change in the character or scope of the Southeast Asia conflict, or unforeseen contingencies elsewhere in the world, the FY 1967 Supplemental and FY 1968 Budget should be sufficient to cover our requirements until FY 1969 funds become available, even if the conflict continues beyond June 30, 1968.

Inasmuch as I will soon appear before this Committee again in support of the FY 1968-72 Program and the FY 1968 Budget, I would like to confine my statement at this time to the military situation in Southeast Asia and the additional financial requirements for the balance of the current fiscal year arising from that conflict.

#### POLICY OBJECTIVES AND MILITARY TASKS IN VIETNAM

In formulating our military objectives and operational plans for Vietnam, we must take into account the unique character of that conflict. Since what we are facing is a systematic campaign of terror and subversion, supported and directed from without, there are no established lines across which armies face armies, with each side having well-defined contiguous areas under its control. Instead, the territory and people of South Vietnam are controlled in varying degrees by the Government and by the Viet Cong.<sup>1</sup> Some areas are firmly under the control of the Government, some under the control of the Viet Cong, and still other areas are controlled by neither side. This requires that our military efforts in South Vietnam consist of widely dispersed military operations directed at the scattered and changing areas of Viet Cong control.

Our overall policy objective in South Vietnam is a stable and independent government free of external control and externally inspired and supported violence. Our immediate objective is to influence the North Vietnamese to move the conflict from the battlefield to the conference table, or to compel them to desist in their aggression. The basic tasks which flow from these objectives are:

1. To support the re-establishment of the authority of the Government of South Vietnam over its territory.
2. To interdict the flow of men and supplies from North Vietnam to South Vietnam.
3. To exert pressure on the Government of North Vietnam to cease its direction and support of the insurrection in South Vietnam.

Last year, I outlined for you the concept of military operations which had been developed to carry out these tasks. The ground forces, U.S., Korean, Australian, New Zealand, together with the South Vietnamese, were to conduct four major types of operations in South Vietnam which broadly overlapped with one another:

1. "Search and destroy" operations, designed to destroy Viet Cong forces and their base areas (supplies, communications, and installations). These operations *were not* intended to seize and hold territory permanently.
2. "Clear and secure" operations to eliminate, permanently, residual Viet Cong forces from specified limited areas. These op-

<sup>1</sup> Throughout this statement the term "Viet Cong" will be used to refer to the forces of the National Liberation Front and of North Vietnam.

erations were designed to hold territory and were to be undertaken only when it was considered possible to conduct, on a continuing basis, the full range of pacification measures required to secure the area.

3. "Reserve reaction" operations, designed to relieve provincial capitals and district towns under Viet Cong attack and to reinforce friendly forces when needed.

4. Defense of government centers, including the protection of provincial capitals, district towns, key governmental facilities and installations.

The ground combat units of the regular South Vietnamese forces, together with U.S. and other Free World forces (i.e., Korean and Australian/New Zealand) were to concentrate on the first type of operation. The South Vietnamese forces, with some assistance from U.S. and other Free World forces, particularly in areas contiguous to their own bases, were to assume primary responsibility for the second type of operations. The third type was to be primarily the responsibility of the South Vietnamese forces with such help as might be required from U.S. and other Free World forces. The fourth type was to be essentially the responsibility of the South Vietnamese forces.

I reiterated at that time that this allocation of responsibilities was very general and, in actual practice, would vary according to the particular circumstances, since a maximum degree of flexibility was needed to deal with the very fluid military situation which existed in South Vietnam.

The regular South Vietnamese ground forces were to be assisted by the Regional forces in the "clear and secure" and the "defense of government centers" operations. The Popular forces were to assist at the village and hamlet level in providing long-term security in areas already cleared by the regular combat forces and the Regional forces. The Popular forces were also to participate in the pacification task, i.e., identifying and removing small groups of Viet Cong and providing a permanent local defense, but the re-establishment of normal governmental functions was to be primarily the responsibility of the civil authorities and the National Police.

The air forces (USAF, USN, USMC, VNAF and RAAF) were to conduct close support air strikes, suppressive fire, airlift, and reconnaissance operations in support of the ground forces; and reconnaissance and strike operations in support of the interdiction mission, including sea surveillance. The major responsibilities for the bombing of North Vietnam and its lines of communications to South Vietnam, in support of the second and third tasks, were to be carried by the U.S. air forces, both carrier and land-based.

This overall concept of operations proved to be basically sound, but the results have been uneven. The search and destroy operations have been an unqualified success. The Free World forces have won every major battle since their commitment in South Vietnam, and I believe it has been conclusively demonstrated that the Viet Cong main force units are simply not capable of winning any major battle against U.S. forces. Moreover, because of our great mobility, we are able to come to the aid of the South Vietnamese and other friendly forces when they encounter any sizable enemy concentrations.

But as I have repeatedly pointed out, the search and destroy operations are not designed to seize and hold territory permanently. That

is the objective of the clear and secure operations, which are primarily the responsibility of the South Vietnamese forces except in the areas contiguous to the bases of U.S. and other Free World forces. Here, our progress has not been satisfactory. The military problem in this type of operation is to eliminate the Viet Cong guerrilla forces. These are, for the most part, local groups whose mission is harassment, sabotage, and the terrorizing of the local population, as well as the provision of intelligence, terrain guidance, supplies and recruits for main force units. Only when these local guerrilla forces are brought under control can the full range of revolutionary development measures be undertaken on a permanent basis.

Our own experience, e.g., the U.S. Marines in the First Corps area, has demonstrated that clearing and securing is a very slow and painstaking process, and that a military presence must be maintained for a considerable period of time after the area has been initially "cleared". In fact, we have found that it is very difficult to clear, completely and permanently, any area in which the Viet Cong guerrillas were once well established. Even around Danang, where the U.S. Marines have been conducting clear and secure operations for some 18 months, guerrilla hit and run attacks still occur.

It is evident that some reallocation of the overall military effort between search and destroy operations and clear and secure operations is now required. Because the latter are so closely related to the pacification and revolutionary development efforts, which in any event must be performed primarily by the South Vietnamese themselves, we believe that these clear and secure operations also can best be conducted by the indigenous armed forces. Accordingly, it has been agreed by all the parties concerned that the main weight of the effort of the South Vietnamese armed forces should be placed on clear and secure operations in support of the Revolutionary Development Program. This reallocation of effort will require the reorientation of a substantial part of the South Vietnamese Army, and this program is now underway.

The search and destroy operations are, of course, important. As long as well organized Viet Cong main force units are free to operate in South Vietnam, clear and secure operations will not succeed since they depend on the ability to hold, permanently, the areas that have been cleared. But the ultimate success of our entire effort in South Vietnam will turn on the ability of the Government to re-establish its authority over its territory so that peaceful reconstruction can be undertaken. No matter how well the search and destroy operations are performed, they cannot substitute over the longer run for the successful accomplishment of the clear and secure effort. Indeed, to the extent that conditions permit, U.S. and "third country" forces will also devote more of their efforts to clear and secure operations and related activities in support of revolutionary development, particularly around their own base areas. But we can do this successfully only in conjunction with the South Vietnamese military forces, since the cleared areas must ultimately be taken over by these forces.

The last two tasks, reserve reaction operations and defense of government centers, have been carried out satisfactorily. No provincial capitals have fallen to the Viet Cong in the last year; and although the defense of government centers leaves something to be desired, we recognize that hit and run attacks cannot be completely eliminated until the areas around these centers have been substantially pacified.

Needless to say, the revolutionary development effort, i.e., economic and social reconstruction, must be greatly expanded and accelerated. This imperative is recognized by the Government of South Vietnam. In July of last year, the Minister of Rural Construction was elevated to Commissioner General for Revolutionary Development and given supervision over the Ministries of Public Works, Agriculture, and Administration (formerly Interior). The executing agency for this effort at the village and hamlet level is the Revolutionary Development Cadre (RDC) Group, the people working directly with the rural population. A Group consists of specially trained teams, totaling 59 men, with skills in social services, agriculture, public works, self-defense organization, and local administration. A total of more than 450 such groups were trained through the end of 1966. In all, there were a total of about 32,000 indigenous RDC personnel in the field at the end of 1966, and this number will be expanded in 1967.

In addition, the United States will continue all of its other programs designed to strengthen the Government of South Vietnam and preserve economic stability. We recognized from the beginning that our economic aid effort would be at least as important as our military effort over the longer run. Not only have the years of strife ravaged the South Vietnamese economy, the entire social structure has been disrupted. Thus, if our military effort is to have a permanent value, we must ensure the success of the economic and social rehabilitation program. In this connection, the Department of Defense is making an extraordinary effort to minimize the inflationary impact of its activities on the economy of South Vietnam. Wherever possible, we are providing goods and services from the U.S. in lieu of purchasing them locally.

#### VIET CONG FORCES IN SOUTH VIETNAM

When I appeared before the Committee last year at this time I said: "We now believe that the Communists' military and para-military forces in South Vietnam total over 235,000 compared with the 190,000-200,000 estimated last summer. The Communist hard core strength, including some 107 battalions, totals about 87,000, the irregulars number about 110,000, and the political cadres about 39,000. Within these totals, the confirmed North Vietnamese regular Army forces in South Vietnam now number at least 11,000 men organized in 22 battalions, and there are probably more."

I went on to say:

"We must assume that the number of North Vietnamese regular Army troops in South Vietnam will continue to increase substantially in the months ahead as we step up our attacks on the Communists' main forces and work to expand the Government's control over the population and territory of South Vietnam, thus further limiting their potential sources of supply for indigenous military manpower."

We now estimate the "confirmed" Viet Cong strength in South Vietnam, as of the close of 1966, at about 275,000, including 45,000 North Vietnamese regular Army personnel. This compares with a *revised* estimate of about 250,000 for December 1965. The increase of 15,000 over the figure I gave you last year for that date is accounted for entirely by North Vietnamese regulars; instead of 11,000 we now estimate that there were about 26,000 in South Vietnam at that time.

It might be useful at this point to examine how these estimates of Viet Cong strength are derived. They are computed, in the first instance, from the so-called "Order-of-Battle" reports. When a new unit is identified, it is entered on the Order-of-Battle record and where firm information is available, is credited with its actual strength. In the absence of firm strength information the unit is credited with a standard strength until firm data becomes available. Naturally, there is a lag between the time when the new unit is formed or enters South Vietnam and the time when it is first identified. Where the unit has been clearly identified, it is listed as "confirmed"; where the information is yet incomplete, it is listed as "probable" or "possible".

Thus, when I said last year "*the confirmed* [italics added] North Vietnamese regular Army forces in South Vietnam now number at least 11,000 men", I also added, "and there are *probably* more". As additional intelligence was accumulated, units which had been carried as "probable" and "possible" a year ago (and some which had not been reported at all) were subsequently "confirmed" and their dates of arrival ascertained. The Order-of-Battle records were corrected, and it now appears that there were about 26,000 North Vietnamese regulars in South Vietnam at the close of 1965, compared with the 11,000 which had been "confirmed" at that time.

Similarly, in addition to the 45,000 North Vietnamese "confirmed" as of the end of 1966, there are additional numbers in the "probable" or "possible" categories. If and when these additional forces (or presently unknown forces) are clearly identified, they will be added to the "confirmed" number.

Interestingly enough, even including the "probable" and "possible", the number of North Vietnamese troops in South Vietnam appears to have leveled off in the second half of 1966, and the strength in December was about the same as in June, between 45,000 and 50,000. During the same six-month period, the National Liberation Front strength also appears to have leveled off at around 230,000, including about 62,000 in the main forces, 110,000 irregulars, and 58,000 political cadres, logistics support, etc. Indeed, in all of 1966, NLF strength appears to have increased by only about three percent, from 224,000 in December 1965 to 230,000 in December 1966.

These trends bear out the assumption we made last year that the number of North Vietnamese regulars would increase substantially while the supply of indigenous military manpower would be further limited. While it is much too early to draw any final conclusions from these trends, it does appear that our military efforts during the last year, including the interdiction of the lines of communication both by sea and by air, have indeed succeeded in limiting the build-up of the Viet Cong forces in South Vietnam. During the last half of 1966, the Viet Cong appear to have lost about as many men as they were able to infiltrate from North Vietnam and recruit in South Vietnam.

Indeed, field reports show that the Viet Cong in all of 1966 lost about 55,000 men killed in action, 10,000 captured, and 13,000 defectors (military only) to the Government of South Vietnam. Since the total gain in strength during the year is estimated at 25,000, the reports indicate they must have infiltrated from North Vietnam and recruited

in South Vietnam a total of at least 103,000 new men (of this total, at least 48,000 men are believed to have infiltrated from North Vietnam).<sup>2</sup> Now, of all of these figures, the most certain are the number captured and the number defecting to the Government of South Vietnam. We attempt to count battlefields fatalities, and these figures are probably fairly accurate. We are less certain of the number infiltrated from North Vietnam; this number is a composite of hundreds of individual observations of the Viet Cong lines of communication. Least certain, for obvious reasons, is the number recruited locally in South Vietnam. And, we have no way of knowing how many died later from wounds or disease, or how many deserted without going over to the Government of South Vietnam, or how many men incapacitated (from wounds or disease) were returned to North Vietnam. Thus, all of these estimates are subject to various degrees of error. They are better than they were last year, but they will never be perfect.

However, the trends in those indices in which we have the greatest confidence are favorable for our cause. Viet Cong killed in action rose from an average of 322 per week in 1964 to 680 in 1965 and 1,065 in 1966; the number captured rose from 80 per week in 1964 to 120 in 1965 and 187 in 1966; and the number defected (military only) from 37 per week in 1964 to 182 in 1965, and 248 in 1966.

As to the future, our estimates are very uncertain particularly in view of the apparent level-off in Viet Cong strength during the second half of last year. We believe that any net increase during 1967 will have to come from North Vietnam; the local supply of manpower is growing more limited with each succeeding year. North Vietnam still has a sizable military mobilization potential, and they have by no means infiltrated into South Vietnam any very large part of their active Army forces. But the limiting factor is not the total size of the North Vietnamese Army but rather the number of men which they are capable of infiltrating and supporting in South Vietnam.

As I noted last year, both the NLF and the North Vietnamese forces in South Vietnam are becoming increasingly dependent upon external sources of supply, particularly for arms and ammunition, communications equipment, bulk medical supplies, and now even some food. Their supply lines from North Vietnam into South Vietnam are well known and are kept under continuing air attack. We don't have accurate estimates of the amount of supplies that may be coming through Cambodia. However, the Cambodian borders are so inadequately policed that the Viet Cong are able to infiltrate both men and supplies through that country.

Our tight sea surveillance along the coast of South Vietnam leads us to believe that the amount of supplies coming into the country directly by sea is very limited. Less certain is the movement of men and supplies across the demilitarized zone between North and South Vietnam. As you know, the North Vietnamese began to move in some force across the line last summer. However, this movement has been effectively halted, at least for the time being.

The Viet Cong supply problem was made even more difficult by the success of our search and destroy operations. Friendly forces during

<sup>2</sup> Reports of men infiltrating from North Vietnam are classified as "confirmed", "probable" and "possible". As of January 16, 1967, the "confirmed" and "probable" infiltrators total 48,000—an additional 26,000 are reported as "possible". As additional reports are received, some of the men may move from the "possible" to the "confirmed" category.

1966 captured or destroyed, in South Vietnam alone, almost 19,500 tons of rice (enough to feed about 78,000 men for a full year), over 500 tons of salt, over 1,400 crew-served weapons, more than 17,000 small arms, some 30,000 rounds of large caliber ammunition, almost 3 million rounds of small arms ammunition, and more than 75,000 bombs, grenades and land mines.

#### SOUTH VIETNAMESE ARMED FORCES

The Military Forces of the Government of South Vietnam consist of the Regular Army, Navy, Marines and Air Force; the Regional Forces; and the Popular Forces. In addition, there are a number of other organizations—the Civilian Irregular Defense Group (CIDG), the Armed Combat Youth, and the National Police. The Regular Forces had about 320,000 men at the end of 1966, the Regional and Popular Forces about 150,000 each, the CIDG about 35,000, the Armed Combat Youth about 20,000, and the National Police about 55,000—for a grand total of about 730,000 men under arms.

The Regional Forces are under the command of the Province Chiefs, of whom there are now 44, and operate for the most part within the boundaries of each individual province. The Popular Forces and the Armed Combat Youth operate under the control of the District Chiefs at the village and hamlet levels. The National Police are responsible for internal security, particularly in the cities and towns. The CIDGs are mostly members of minority groups, such as the Montagnards, who are recruited and trained for operations with U.S. and Vietnamese Special Forces units in their own localities.

The four Corps Commanders, who report directly to the South Vietnam Joint General Staff, are responsible for security in their respective zones (i.e., Corps Areas) and have overall operational control of all military and paramilitary units located in their zones. The Province Chiefs (except for the two who are currently civilians) are also Sector Commanders and are, therefore, in the military chain of command under the control of the Corps Commanders. Most South Vietnamese military operations take place within a single province.

Inasmuch as the province Chief is also the head of the civil government administration in the Province, he is also part of the civil "chain of command" which runs down from the Central Government Ministries in Saigon to the provinces, the districts, the villages and the hamlets. Thus, the Province Chiefs receive orders through two channels.

The Army, during the next 12 to 18 months, will be maintained at its present strength of about 280,000. The Regional and Popular Forces will be leveled off at their present combined strength of about 300,000, but an intensive effort will be made to raise the strength of the National Police to at least 70,000. The requirement for the Police will increase as the pacification effort is extended into new areas.

The South Vietnamese Air Force, with a strength of about 15,000 men, now includes tactical fighter, troop carrier, helicopter and liaison aircraft squadrons. Over the next three years, we plan to modernize several of their tactical fighter squadrons. The South Vietnamese Air Force is designed primarily to operate "in-country" in support of its own ground forces.

The South Vietnamese Navy, manned by about 17,000 military personnel, now has a large number of predominantly small craft including

several hundred coastal junks. It will continue to participate with our Naval forces in both the coastal patrol and river patrol operations. The Marines have a strength of about 7,000 men.

#### OTHER FREE WORLD FORCES IN SOUTH VIETNAM

Excluding U.S. forces, there are now a total of about 53,000 other Free World military personnel in-country. South Korea, with a strength of 46,000 men, has furnished two divisions and one brigade—a total of 21 infantry-type battalions. Australia, with a strength of about 4,500 men, has furnished two infantry-type battalions and will add another infantry-type battalion, a squadron of eight Canberra attack bombers to assist in support of ground forces and a guided missile destroyer (HMAS HOBART) which will operate with the U.S. Navy in support of the interdiction mission. These additions will bring the total Australian contingent to approximately 6,300 men. New Zealand, with a strength of 150 men, has furnished an artillery battery and an engineer detachment. The Philippines have furnished a construction battalion augmented with security and logistic support, a total of 2,100 men. Thailand has contributed a 30-man Air Force contingent (flying South Vietnam C-47s), two small ships, and will send a reinforced battalion. A variety of goods and services have been provided by over 30 other nations.

We are continuing to talk with our Allies about additional military forces and other assistance and we are quite hopeful about obtaining new contributions.

#### U.S. FORCES IN SOUTHEAST ASIA

At the close of 1966, we had a total of about 383,000 men in South Vietnam, 35,000 in Thailand and 36,000 Navy forces aboard ship off the coast of Vietnam. The number in South Vietnam will continue to increase during the next year and a half, although at a very much slower rate than during the preceding year and a half. Rising inflation within the Vietnamese economy accompanied the U.S. build-up, and piaster expenditure limitations as well as military requirements had to be considered when establishing these force levels. However, our deployment plans beyond December 1967 are still tentative; the number actually deployed will depend on how the situation evolves over the next 12 months. In this connection, it should be noted that we will have five Army and two Marine Corps division forces in our active central reserve, plus nine in the inactive reserve during this period; and additional aircraft squadrons could also be deployed, if needed.

Most of these maneuver battalions in South Vietnam are infantry, airmobile or airborne; the terrain there does not lend itself to the extensive employment of mechanized and armored units. The distinction among the infantry, airmobile, and airborne battalions is more in form than in substance; all three are used in about the same way. Although the nine battalions of the 1st Cavalry Division (Airmobile) have their own helicopters, the infantry and airborne, as well as the Marine Corps battalions, are provided helicopter support as required. Indeed our land forces were supported by about 2,000 Army and Marine Corps helicopters at the end of 1966, and this number will be

increased very substantially over the next 12 months. (The Army and Marine Corps units will also be supported by several hundred observation and utility fixed-wing aircraft.)

The extensive employment of helicopters, both for lift and for the suppression of ground fire in the landing zones, is one of the unique aspects of our combat operations in South Vietnam. It has provided our ground forces with an extraordinary degree of mobility and a very effective source of firepower during the critical landing phase. Helicopter losses of 340 in 1966 actually ran considerably below the number projected a year ago. However, we are providing for substantially higher losses in the FY 1967 Supplemental and the FY 1968 Budget because of the much larger number of helicopters expected to be in operation during the period.

Another unique aspect of our ground effort in Vietnam, particularly in view of the absence of an established "front", is the extensive use of artillery. We already have a large number of artillery battalions in South Vietnam and this number will grow substantially within the next 12 months. The 105mm howitzer has proved to be particularly useful in Vietnam since it can be lifted by helicopter and can, in many cases, be used to support patrols on the ground. Together with the large number of mortars provided our forces in South Vietnam, the extensive use of artillery gives them a highly efficient form of close support which has been a decisive factor in many of the battles fought during the last 12 months. Last August, for example, 21,000 artillery and mortar rounds were expended in a single 4-hour engagement in defense of one South Korean company under attack by about 1,000 Viet Cong. The attack failed and the Viet Cong left 237 of their men dead on the battlefield. As General Dayan, former Chief of Staff of the Israeli Army, later remarked, "This is more than the total volume of artillery fire expended by the Israeli Army during the Sinai campaign and the War of Independence together".

U.S. and other Free World forces in South Vietnam during the September-November 1966 period consumed, on the average, about one million artillery rounds and about 0.7 million mortar rounds per month. We have provided in our FY 1967 Supplemental and the regular FY 1968 Budget for considerably higher consumption rates and the peak monthly production rates will be still higher.

After we have rebuilt our inventories, the production rates will be reduced to the projected consumption levels and held at those levels for as long as may be necessary. Indeed, if the consumption rates should exceed the planned levels, production can be continued at the higher rates. Conversely, if consumption should fall short of our projections, production plans will be adjusted accordingly.

With regard to small arms ammunition, the Free World forces in Vietnam during the September-November 1966 period consumed, on the average, about 100 million rounds per month. We have provided in our Budget for much higher consumption and production rates.

To provide close air support for the ground forces in South Vietnam, interdict the Viet Cong's lines of communication from North Vietnam and attack targets in North Vietnam, we have now deployed a total of about 1,000 fighter and attack aircraft to Southeast Asia, including those on carriers off the coast of Vietnam. This force will be maintained at essentially the same level.

By and large, our air operations have produced the results that we expected from them. The close air support requirements of the land forces have been met in full. The interdiction operations have increased substantially the costs of infiltrating men and materiel from North Vietnam to South Vietnam. For those who thought that air attacks on North Vietnam would end the aggression in South Vietnam, the results from this phase of the operation have been disappointing. But for those who understood the political and economic structure of North Vietnam, the results have been satisfactory. Most of the war materiel sent from North Vietnam to South Vietnam is provided by other Communist countries and no amount of destruction of the industrial capacity of North Vietnam can, by itself, eliminate this flow. Our air attacks on North Vietnam petroleum resources have destroyed two-thirds of its storage capacity but, as I pointed out to this Committee last year, the North Vietnamese could and have brought in petroleum "over the beach" and have stored it at widely dispersed locations. Although we have taken a toll of this flow of supply, shortages of petroleum products do not appear as yet to have greatly impeded the North Vietnamese war effort.

When the bombing campaign started, we did not believe that air attacks on North Vietnam, by themselves, would bring its leaders to the conference table, or break the morale of its people—and they have not done so. We have stated before and I wish to repeat today that the bombing of the North is intended as a supplement to and not a substitute for the military operations in the South.

Fighter and attack aircraft losses in calendar year 1966 ran slightly below those projected a year ago, about 500 compared with 524 estimated. We have provided in the FY 1967 Supplemental and the FY 1968 Budget for losses through the entire production lead time, December 1969.

Air ordnance consumption by these forces, including the B-52, the U.S. Army and Marine Corps helicopters and the South Vietnam Air Force, totaled about 56,000 tons in December 1966. The production program reflected in the FY 1967 Supplemental and the FY 1968 Budget will provide for a rate of consumption almost equal to the total air ordnance consumed by U.S. forces in the peak year of World War II in Europe, and almost four times the consumption in the peak year of the Korean War. As long as combat operations continue, production rates will be tailored to actual consumption. Following termination of hostilities, production will continue until inventories are built to levels required for a "cold-line" production base. Air ordnance stocks "in-theater" are equivalent to about three and a half months of consumption at current rates.

The U.S. Navy Southeast Asia "offshore" fleet will be maintained at about the current level, i.e., some 90 ships. In addition to the fighter and attack aircraft operating from the three attack carriers which are in combat at any one time, this fleet also provides assault ships for amphibious operations, radar picket destroyers and minesweepers for the Coastal Patrol, seaborne hospital facilities, and fire support for the land forces. During the last half of 1966 about 36,000 rounds per month of naval gun ammunition (excluding 40mm) were expended. We have provided in our budget for a higher consumption rate.

In addition to the radar picket destroyers and minesweepers, the Coastal Patrol also includes 26 Coast Guard boats and 84 Swift boats engaged in what we call "Market Time" operations. These operations have been quite effective and we believe that very few supplies are reaching the Viet Cong forces by sea. We do believe, however, that a substantial increase in the river control force is required. We now have 120 water jet boats and a number of support ships assigned to this effort, and this force will be substantially increased over the next several months.

The deployment of large U.S. forces in the Southeast Asia area has required some strengthening of our supporting bases elsewhere in the Western Pacific. A total of about 100,000 U.S. military personnel were stationed in this area in June 1965. By December 1966 the number had risen to about 123,000, a relatively modest increase considering the size of the U.S. forces now deployed in Southeast Asia.

The logistics support of our forces in Southeast Asia has been outstanding by any standard of measurement. Considering the fact that we had to construct a complete infrastructure starting with ports and airfields and extending to the roads, bridges, warehouses, maintenance facilities, communication networks, cantonments, etc.—and simultaneously move in the ammunition and supplies—it is not surprising that there were scattered supply pinches during the initial period of the build-up. But as our Commanders have stated, even then there were no shortages which adversely affected our combat operations or the morale and welfare of our men.

About 92 percent of the meals served to our troops in Vietnam are hot: 87 percent of the meals consist of fresh foods, including meat and vegetables, and the other 5 percent are canned. Thus, only about 8 percent of the meals consist of C rations. In addition, we are furnishing our troops an average of 4.2 lbs. per day per man in PX supplies. Ample supplies of tropical clothing and jungle boots—two entirely new items in our inventories—are available in Vietnam even though the wear-out rate for these items is extremely high, an average of only four months for the jackets, trousers and boots. As one foreign military observer recently commented: "Food, clothing, medical services are first class."

U.S. military cargo is now moving into Vietnam through 12 ports at a rate of 27,000 short tons per day. At this rate of discharge the backlog awaiting unloading amounts to about eight to nine days. As of December 3, 1966 there were 78 deep draft ships working or holding in port, compared with 122 on November 26, 1965. But on December 3, 1966 only 27 of the 78 ships were waiting or holding, the other 51 were being unloaded. In contrast, on November 26, 1965, only 32 ships were being unloaded and 90 were waiting or holding. These figures illustrate the tremendous progress we have made during the last year. Only Saigon still remains a problem, but the new port facilities being installed there, together with improved port procedures, should do much to solve it. The backlog of cargo in the continental U.S. awaiting shipment is minimal, about the equivalent of six shiploads.

To help move the vastly increased cargo to South Vietnam, we have activated about 151 ships from the National Defense Reserve Fleet through December 1966, and the ten scheduled for activation in the

month of January would make a total of 161 activated since June 30, 1965. Together with 11 government-owned ships already in operation, this will make a total of 172 government-owned merchant ships available. Along with the ships furnished by the privately-owned fleet, our military sealift operations will amount to about 25 million measurement tons per year, about 14 million tons to Southeast Asia and the Western Pacific and about 11 million tons to all other areas.

The MSTs troop transports will continue to be used for the movement of troop units to and from Vietnam but individual replacement personnel will move by air. The Military Airlift Command (including commercial augmentation) is now flying about 25,000 short tons of cargo and 35,000 passengers into Southeast Asia per month. In addition, the Air Force is operating a substantial tactical airlift force in Southeast Asia and the Western Pacific, a total of 23 squadrons and 368 aircraft. As I noted last year, we have considerably increased the airlift aircraft utilization rates above the normal peacetime levels.

#### ADDITIONAL U.S. FORCE AUGMENTATIONS

To support the larger deployments and higher activity rates in Southeast Asia and to provide a more adequate training and rotation base for the longer pull, we have had to increase certain force levels above those reflected in the original FY 1967 Budget. A total of 220,500 military personnel have been added to the Army's FY 1967 end strength, 2,440 to the Marine Corps, 25,520 to the Navy, and 45,240 to the Air Force.

Shown on Table 1 is a recapitulation of the military and civilian personnel strengths as provided in the FY 1967 Budget and, as estimated in the revised FY 1967 Budget, together with the net increase requested in the FY 1967 Supplemental. You will notice we entered the fiscal year with about 104,000 more military personnel than we had originally planned; and we expect to end the year with about 294,000 more. In terms of man-years (i.e., average strength), we expect to have a total of about 236,000 more than provided for in the original FY 1967 Budget; the funds for these additional personnel are included in the Supplemental.

With regard to civilian personnel we entered the year with about 17,000 more than originally planned and will end the year with about 123,000 more. In terms of man-years, the increase is about 74,000 and funds for the support of these additional civilian personnel are included in the Supplemental. Of the total increase of 123,000 in the direct hire civilian personnel end strength, about 45,000 will be foreign nationals, mostly South Vietnamese hired locally for the support of our forces in Vietnam.

#### ADDITIONAL FISCAL YEAR 1967 FINANCIAL REQUIREMENTS

Table 2 provides a summary of the additional funds required by the Department of Defense for the balance of FY 1967. The first column, "NOA Enacted", totaling \$59,940 million, reflects the amounts enacted by the Congress thus far this fiscal year. The second column, "Transfers and Adjustments", summarizes a large number of mostly small offsetting transactions among the various appropriation accounts. For example, the first two amounts in this column reflect a transfer

of function, i.e., the Support Activity in Saigon, from the Navy to the Army. This same transfer is also reflected in the O&M appropriations of the Army and Navy; about \$23 million of the \$24.8 million reduction in the O&M, Navy account is offset by an equal increase in O&M, Army. Another \$10.4 million of the increase in O&M, Army reflects the transfer of a supply activity in Japan from the Military Assistance Program to the Army. All of the other significant adjustments in this column reflect transfers to and from the RDT&E Emergency Fund. A detailed listing of all of these transactions is available.

The third column, "Military and Civilian Pay Supplemental", totaling about \$519 million, shows the amounts required to defray the pay increases voted by the Congress last year. The fourth column, "Medicare and Homeowners Assistance Supplemental", totaling \$82 million, includes two items: (1) \$71 million to help finance the cost of the Military Medical Benefits Amendments Act of 1966; and (2) \$11 million to initiate the Homeowners Assistance Program which was authorized by the Demonstration Cities and Metropolitan Development Act of 1966. This latter program is designed to provide some relief to military and civilian personnel of the Defense Department who, as a result of a base closing have to sell their homes in a depressed market. This and the "Pay" Supplemental are being separately transmitted to the Congress.

The fifth column, "SEA Supplemental", totaling \$12,276 million, includes the additional amounts required for the support of our military effort in Southeast Asia during the balance of FY 1967. This is the Supplemental now before the Committee.

Including all the Supplementals and adjustments, total NOA for FY 1967 will amount to about \$72,816 million, compared with the \$59,940 million originally enacted—an increase of \$12,875 million.

As shown at the bottom of Table 2, expenditures in FY 1967 are now estimated at \$67,950 million, compared with the \$58,300 million estimated in the original FY 1967 Budget, an increase of \$9,650 million.

#### MILITARY PERSONNEL

The \$1,334 million requested in the Southeast Asia Supplemental for the first four Military Personnel accounts will finance the cost of the additional active duty military personnel shown on Table 1.

Most of the \$30 million requested in the two Army reserve component accounts is to finance the larger number of REP (Reserve Enlistment Program) trainees now expected to receive active duty training during FY 1967. The funds provided by the Congress last year will support active duty training for about 130,000 REPs in FY 1967; we now expect to train about 206,000.

#### OPERATION AND MAINTENANCE

The increases in force levels, deployments, movements of men and supplies to Southeast Asia, activity rates, and the expansion of the training establishment and the rotation base will require an additional \$3,312 million for Operation and Maintenance in FY 1967. Of this amount, about \$1,754 million is required for the support of the operating forces, including the operation of the new bases and other facilities in Southeast Asia. Another \$764 million is required for depot main-

tenance; the higher utilization rates of equipment together with battle damage has increased the workload in our maintenance and repair facilities. Supply operations will require another \$172 million to handle the increased workload. We are now operating a pipeline extending some 10,000 miles across the Pacific and, as I noted earlier, we are moving vast quantities of materiel to, and large numbers of military personnel to and from, Southeast Asia; another \$375 million will be required for this purpose. The further expansion of the training establishment will require an additional \$128 million in FY 1967, mostly in the Army where the training load will be about one-fourth higher than estimated in the original FY 1967 Budget. Support of the expanding communications network to and within Southeast Asia will require another \$37 million in FY 1967. Other O&M activities, medical support, and service-wide support will require about \$83 million. Included in these amounts is a total of about \$365 million for the pay of the additional direct hire civilian personnel (shown on Table 1), most of whom are financed in the O&M appropriations.

#### PROCUREMENT

Included in the Southeast Asia Supplemental is a total of \$6,306 million for Procurement. In discussing the content of this procurement program, I shall refer to the net change between the original program as set forth in the FY 1967 Budget and the current program rather than to the details as set forth in the Supplemental itself. This approach will give you a clearer picture of the revised program. The reason is that during the year, it has been necessary to finance procurement of certain urgently needed Southeast Asia items by transferring funds originally programmed for other purposes. Certain procurement items in the Supplemental bill reflect the restoration of these transferred funds. The total revisions to the procurement program are therefore the net effect of both reprogrammings and the Supplemental. The separate amounts for each of these is shown in the detailed tables I shall refer to shortly. Table 3 gives a summary of the net change in the major procurement categories. You will notice the two major categories are ammunition and aircraft, accounting between them for about \$4.4 billion of the total increase in procurement.

#### AMMUNITION

For ammunition, we are requesting a net addition of \$677 million, of which 60 percent is for ground munitions and the rest is for air munitions. This supplemental amount will bring the total for ammunition in FY 1967 to about \$4.6 billion, about \$600 million more than FY 1966.

In the air munitions category, two of the principal items being increased are 500-lb. bombs and 750-lb. bombs, both of which are carried by the B-52s. We have also included funds for additional air-to-surface anti-radiation missiles. Peak production is scheduled to be reached by April. Depending upon actual consumption trends, we now plan to taper off production later this year. However, we have included about \$110 million in the supplemental for advance procurement of long lead time air munitions components in order to retain a capability to increase production to within ten percent of the April

peak in a period of four to six months, if needed. And, we have production capacity in place for even higher rates.

With regard to ground munitions, peak production for the 40 major items, accounting for about 85 percent of the tonnage used in Vietnam, will be reached by October of this year. We also have the capability, with a decision lead time of about six months, to raise the production base for ground munitions by an additional 30 percent, if that should ever become desirable. Production is now increasing rapidly and by July of this year, should be close to planned peak rates.

The largest single item of ground ammunition added to the FY 1967 program is \$250 million for 105mm artillery ammunition of all types. As I indicated earlier, this weapon is used very extensively throughout Vietnam for a great variety of purposes. Other major items are the 5.56mm cartridge, 60mm mortar rounds, and 155mm projectiles.

For ship gun ammunition, a net amount of about \$73 million has been added to the original FY 1967 program, offset by decreases in other types of ship-launched munitions. As I noted earlier, our fleet off the coast of Vietnam is expending about 36,000 rounds per month of naval gun ammunition (excluding 40mm). This consumption must now be replaced.

#### AIRCRAFT

Of the \$3,715 million added to the FY 1967 program for aircraft, about \$1,525 million is for the replacement of future combat losses. Included for the Navy and the Marine Corps are F-4s, A-4s, A-6As and UH-1Es, a total of 431 aircraft. For the Air Force (including the South Vietnamese Air Force) we have added F-4s, F-5s, and A-37s, a total of 175 aircraft. The apparent imbalance between the Navy and the Air Force add-ons simply reflects the fact that a large number of aircraft were provided for the Air Force in the FY 1966 program. Furthermore, another large quantity of tactical fighter and attack aircraft are provided for the Air Force in the FY 1968 program. For the Army, the major addition for attrition consists of UH-1s.

We have also added large numbers of aircraft for training, for example, 582 helicopters for the Army and 174 fixed-wing aircraft for the Air Force. With regard to the Navy and Marine Corps, we have rearranged the trainer aircraft program by adding 50 TA-4Fs, 36 T-2Bs, and 9 TC-4Cs, and deleting 58 T-28s and 20 TH-1Es.

A sizable number of AH-1Gs (armed UH-1s) were added for the equipping of new Army aviation units; and an additional quantity of AH-1Gs was substituted for an equal number of UH-1s included in the original program. Other additions to the procurement program stem from force changes related to Southeast Asia needs. For example, in order to augment the Tactical Air Control Forces and the Special Air Warfare Forces, 176 O-2As are being added to the Air Force's FY 1967 procurement program. In total, some \$440 million has been added to the FY 1967 Budget for these purposes.

In summary, the *net* increase for the Army is 936 aircraft, the Navy and Marine Corps 427, and the Air Force 425—for a total of 1,788.

Almost \$1 billion has been added to the FY 1967 Budget for additional aircraft spares. The original FY 1967 program provided for spares consumption only through June 1967; we are now requesting

funds to finance the full production lead time, which in many cases extends through December 1968. Other aircraft equipment, both ground and airborne, accounts for about \$755 million of the increase in the FY 1967 Budget.

The net increase of \$1,927 million for vehicles, electronics and communications and other equipment is to provide both for the replacement of equipment to be attrited in Southeast Asia in the future and for the equipping of new units.

#### RESEARCH, DEVELOPMENT, TEST AND EVALUATION

The additional amounts required for RDT&E are shown on Table 2. While support of limited war requirements has for years been an essential part of our R&D program, in order to ensure that the R&D program would be fully responsive to the needs of the forces in Southeast Asia, Project PROVOST (Priority Research and Development Objectives for Vietnam Operations) was established in late 1965. PROVOST is designed to identify those programs or projects which have significant potential for near term application to the Vietnam conflict so that they may be accorded the necessary priority. By their very nature, these requirements cannot be foreseen and to the extent that additional funds are needed, they must be obtained by reprogramming, by use of emergency funds or by new appropriations. For example, during FY 1966 approximately \$218 million was budgeted or reprogrammed for Southeast Asia related projects and another \$152 million of FY 1966 Supplemental financing was also applied—for a total of about \$370 million.

During FY 1967, we have continued, wherever possible, to reprogram or draw on the Emergency Fund. However, almost all of the FY 1967 Emergency Funds have now been used and there remain a number of urgent projects for which there is no foreseeable source of financing other than new appropriations. Accordingly, we have included \$135 million in the FY 1967 Supplemental for this purpose. Broadly speaking, the additional projects to be financed in FY 1967 fall into three categories. Efforts in the first category are concerned with improving the ability of our forces to fight at night, efforts in the second category, with reducing aircraft combat losses, and efforts in the third category, with the development of counter-infiltration systems and weapons.

#### MILITARY CONSTRUCTION

The FY 1967 Supplemental includes \$625 million for Military Construction; \$398 million for projects in South Vietnam, \$109 million in Thailand, \$32 million in other Pacific areas, \$75 million in the United States and \$10 million for planning. Of the \$398 million for South Vietnam, \$126 million is required to cover cost overruns on previously approved projects originally estimated to cost \$868 million. Since \$77 million from the DoD FY 1966 military construction contingency fund has already been applied to these projects, the total cost overrun would be \$203 million or 23 percent of the original estimate. Another \$88 million is for personnel facilities, \$49 million for airfields, \$29 million for utilities, \$15 million for harbor dredging, \$10 million for facilities related to the relocation of U.S. personnel from Saigon and \$81 million for a large number of other operational, supply and support facilities.

The \$109 million requested for Thailand includes \$10 million for cost overruns on previously approved projects (i.e., 5 percent of the original estimate), \$10 million for port facilities, \$19 million for roads from the Port of Sattahip to various military installations in Thailand, \$10 million for utilities, \$7 million for personnel facilities and \$53 million for other operational, supply and support facilities.

The \$32 million requested for other Pacific areas includes \$5.4 million for ship repair facilities, \$9 million for airfield facilities (including a cost overrun of \$3 million for previously approved projects in Taiwan), \$3 million for POL storage, \$2.3 million for hospital improvements (primarily air conditioning in Japan) and \$12 million for maintenance, communications utilities, and other support facilities.

The \$75 million requested for projects in the United States includes \$51 million for training facilities (Navy aviation, Army and Marine helicopter training, and SEABEE training), \$5 million for Military Airlift Command (MAC) facilities, \$7.3 million for personnel facilities (primarily for the Marine Corps), and the balance for a large number of relatively small facility improvements throughout the country.

#### REVOLVING FUNDS

Last year we had estimated that total stock fund inventories at the end of FY 1967 would amount to about \$5.2 billion, based on net sales during the fiscal year of about \$9.9 billion. Because of the increased effort in Southeast Asia, we now estimate stock fund sales at about \$12.7 billion, \$2.8 billion more than previously estimated. To support this higher volume of sales, inventories will have to be increased to about \$6.6 billion at the end of FY 1967, about \$1.4 billion more than previously estimated. All but \$535 million of this increase in inventories can be financed from the cash balances already available in the stock funds. The \$535 million will have to be provided by new appropriations and is included in our FY 1967 Supplemental request.

#### ADDITIONAL AUTHORIZATIONS

The additional amounts requested to be authorized for aircraft, missiles, naval vessels, tracked combat vehicles, and RDT&E are shown in Tables 4, 5 and 6.

TABLE I.—Recapitulation of military and civilian personnel strength, fiscal year 1967

	Original fiscal year 1967 budget			Revised fiscal year 1967 budget			Change		
	Begin	End	Average	Begin	End	Average	Begin	End	Average
Active duty military personnel:									
Army.....	1,159,043	1,233,693	1,206,574	1,199,046	1,454,200	1,368,233	+40,003	+220,507	+161,659
Navy.....	723,723	727,873	724,151	744,469	753,394	748,688	+20,746	+29,521	+24,787
Marine Corps.....	250,079	278,184	272,596	261,687	280,624	277,545	+11,608	+2,440	+4,949
Air Force.....	854,498	853,359	855,419	886,350	898,600	900,136	+31,852	+45,241	+44,717
Total.....	2,987,343	3,093,109	3,058,740	3,091,552	3,386,818	3,294,852	+104,209	+293,709	+236,112
Direct hire civilian personnel:									
Army.....	359,632	357,923	360,066	371,121	426,164	393,998	+11,489	+68,241	+33,932
Navy (including USMC).....	357,601	362,893	359,394	356,744	398,608	381,189	-857	+35,715	+21,795
Air Force.....	301,378	308,717	308,986	306,911	319,462	319,349	+5,533	+10,745	+10,363
Defense agencies.....	68,505	63,848	63,561	68,923	72,361	71,256	+418	+8,513	+7,695
Total.....	1,087,116	1,093,381	1,092,007	1,103,699	1,216,595	1,165,792	+16,583	+123,214	+73,785

TABLE 2.—Financial summary of fiscal year 1967 budget including the proposed supplemental for southeast Asia  
 [In thousands of dollars]

	(1)	(2)	(3)	(4)	(5)	(6)
	New obligation authority enacted	Transfers and adjustments	Military and civilian pay supplemental	"Medicare" and "home-owners assistance" supplemental	Southeast Asia supplemental	Total new obligation authority
Military personnel:						
Military personnel, Army	6,164,400	4,164	78,500	---	650,500	6,897,564
Military personnel, Navy	3,652,100	-4,164	77,700	---	220,800	3,946,436
Military personnel, Marine Corps	1,183,200	---	24,300	---	58,400	1,265,900
Military personnel, Air Force	5,015,800	---	106,300	---	403,700	5,525,800
Reserve personnel, Army	288,211	---	6,200	---	14,900	309,311
Reserve personnel, Navy	112,600	---	---	---	---	112,600
Reserve personnel, Marine Corps	36,500	---	800	---	---	37,300
Reserve personnel, Air Force	69,700	---	1,100	---	---	70,800
National Guard personnel, Army	346,533	---	8,520	---	15,280	370,333
National Guard personnel, Air Force	82,000	---	1,910	---	---	84,200
Retired pay, Defense	1,780,000	---	34,000	---	---	1,814,000
Total, military personnel	18,731,044	---	340,130	---	1,363,870	20,435,044
Operation and maintenance:						
Operation and maintenance, Army	5,122,427	33,005	64,000	29,000	1,968,000	7,216,432
Operation and maintenance, Navy	3,980,300	-24,806	42,000	25,000	1,624,000	4,646,494
Operation and maintenance, Marine Corps	325,600	-48	2,300	---	96,700	424,552
Operation and maintenance, Air Force	4,943,100	-1,823	49,000	17,000	528,000	5,535,277
Operation and maintenance, Defense Agencies	806,500	2,517	20,300	---	85,800	915,117
Operation and maintenance, Army National Guard	231,000	---	---	---	---	231,000
National Board for Promotion of Rifle Practice, Army	253,300	---	1,400	---	---	254,700
Claims, Defense	25,000	---	---	---	9,000	34,000
Contingencies, Defense	15,000	---	---	---	---	15,000
Court of Military Appeals, Defense	600	---	---	---	---	600
Total, operation and maintenance	15,703,321	8,844	179,000	71,000	3,311,500	19,273,665

TABLE 2.—Financial summary of fiscal year 1967 budget including the proposed supplemental for southeast Asia—Continued  
 [In thousands of dollars]

	(1)	(2)	(3)	(4)	(5)	(6)
	New obliga- tional authority enacted	Transfers and adjust- ments	Military and civilian pay supple- mental	"Medicare" and "home- owners assistance" supple- mental	Southeast Asia supple- mental	Total new obligational authority
Procurement:						
Procurement of equipment and missiles, Army.....	3,483,300				2,130,000	5,613,300
Procurement of aircraft and missiles, Navy.....	1,789,900	-58,000			1,752,000	3,483,900
Shipbuilding and conversion, Navy.....	1,756,700					1,756,700
Other procurement, Navy.....	1,968,300				287,000	2,255,300
Procurement, Marine Corps.....	262,900				253,000	515,900
Aircraft procurement, Air Force.....	4,017,300	-4,000			1,303,000	5,316,300
Missile procurement, Air Force.....	1,189,500				45,000	1,234,500
Other procurement, Air Force.....	2,122,600				536,000	2,658,600
Procurement, Defense agencies.....	51,300					51,300
Total, procurement.....	16,641,800	-62,000			6,306,000	22,885,800
Research, development, test, and evaluation:						
Research, development, test, and evaluation, Army.....	1,528,700	27,998			40,000	1,596,698
Research, development, test, and evaluation, Navy.....	1,758,600	115,436			40,000	1,914,036
Research, development, test, and evaluation, Air Force.....	3,112,600	23,151			33,000	3,168,751
Research, development, test, and evaluation, Defense agencies.....	1,469,039	1,781			22,000	1,492,820
Emergency fund, Defense.....	125,000	-106,805				18,195
Total, research, development, test, and evaluation.....	6,983,959	61,561			135,000	7,180,520
Military construction:						
Military construction, Army.....	114,014				288,500	402,514
Military construction, Navy.....	126,918				140,000	266,918
Military construction, Air Force.....	206,495				196,000	401,495
Military construction, Defense agencies.....	7,547	440				7,987
Military construction, Army Reserve.....						
Military construction, Naval Reserve.....	5,400					5,400
Military construction, Air Force Reserve.....	3,600					3,600
Military construction, Army National Guard.....						
Military construction, Air National Guard.....	9,400					9,400
Loran stations, Defense.....						
Total, military construction.....	472,374	440			624,500	1,097,314

Family housing:	507,196					507,196
Family housing, Defense.....					11,000	11,000
Homeowners Assistance, Defense.....						
Civil defense:						
Operation and maintenance, civil defense.....	66,100	-1				66,099
Research, shelter survey and marking, civil defense.....	35,000					35,000
Construction of facilities, civil defense.....						
Total, civil defense.....	101,100	-1				101,099
Special foreign currency program.....	7,348					7,348
Revolving funds:						
Army stock fund.....						351,000
Navy stock fund.....						77,000
Defense stock fund.....						107,000
Total, revolving funds.....						535,000
Department of Defense totals:						
Department of the Army.....	17,279,079	65,167	157,220		29,000	22,988,646
Department of the Navy.....	16,859,018	28,418	147,900		25,000	20,709,236
Department of the Air Force.....	21,024,395	17,328	159,710		17,000	24,263,423
Defense agencies.....	3,784,550	-102,069	54,300		11,000	3,971,581
Civil defense.....	101,100	-1				101,099
Total, military functions.....	59,148,142	8,842	519,130		82,000	72,033,984
Military assistance.....	792,000	-10,425				781,575
Total new obligatory authority, Department of Defense.....	59,940,142	-1,583	519,130		82,000	72,815,559
Total expenditures, Department of Defense.....	58,300,000		505,000		61,000	67,950,000

32 SUPPLEMENTAL DEFENSE AUTHORIZATIONS AND APPROPRIATIONS

TABLE 3.—*Net additions to the fiscal year 1967 procurement program for southeast Asia*

[In millions of dollars]

	Army	Navy and Marine Corps	Air Force	Total
Ammunition.....	309	89	279	677
Aircraft:				
Combat attrition.....	14	1,073	438	1,525
Training and other.....	258	135	46	439
Spares.....	149	314	533	996
Other aircraft equipment.....	169	329	257	755
Total aircraft.....	590	1,851	1,274	3,715
Vehicles.....	288	167	51	506
Electronics and communications.....	326	102	141	569
Other.....	619	131	110	1,852
Net change in program (TOA).....	2,130	2,340	1,855	1,6,317
Financing adjustments.....		-48	+29	1-11
Fiscal year 1967 supplemental (NOA).....	2,130	2,292	1,884	6,306

<sup>1</sup> Reflects \$8,000,000 reduction in procurement, Defense agencies program.

NOTE.—Detail may not add to totals due to rounding.

TABLE 4.—*Amounts requested for aircraft, missiles, ships, and tracked combat vehicle procurement authorization in fiscal year 1967 supplemental request*

[In thousands of dollars]

	Authorized, fiscal year 1967	Appropriated, fiscal year 1967	Supplemental (new obligation) authority, fiscal year 1967
Aircraft:			
Army.....	612,400	612,400	533,100
Navy and Marine Corps.....	1,434,200	1,422,200	1,703,300
Air Force.....	4,041,300	4,017,300	1,303,000
Missiles:			
Army.....	510,000	510,000	6,100
Navy.....	367,700	367,700	48,700
Marine Corps.....	17,700	17,700	2,100
Air Force.....	1,189,500	1,189,500	45,000
Naval vessels: Navy.....	1,901,800	1,756,700	
Tracked combat vehicles:			
Army.....	359,200	359,200	62,200
Marine Corps.....	3,700	3,700	4,200
Total.....	10,437,500	10,256,400	3,707,700

TABLE 5.—Source of funds for aircraft, missiles, ships, and tracked combat vehicles, fiscal year 1967 supplemental procurement program

[In thousands of dollars]

	Total, fiscal year 1967 program	Funding available for financing program in part	New obligational authority requested for authorization
<b>Aircraft:</b>			
Procurement of equipment and missiles, Army .....	1,202,100	669,000	533,100
Procurement of aircraft and missiles, Navy and Marine Corps .....	3,462,800	1,759,500	1,703,300
Aircraft procurement, Air Force .....	5,685,400	4,382,400	1,303,000
Total, aircraft .....	10,350,300	6,810,900	3,539,400
<b>Missiles:</b>			
Procurement of equipment and missiles, Army .....	560,500	554,400	6,100
Procurement of aircraft and missiles, Navy .....	323,300	274,600	48,700
Procurement, Marine Corps .....	31,100	29,000	2,100
Missile procurement, Air Force .....	1,284,500	1,239,500	45,000
Total, missiles .....	2,199,400	2,097,500	101,900
Naval vessels: Shipbuilding and conversion, Navy .....	2,041,000	2,041,000	-----
<b>Tracked combat vehicles:</b>			
Procurement of equipment and missiles, Army .....	508,900	446,700	62,200
Procurement, Marine Corps .....	18,400	14,200	4,200
Total, tracked combat vehicles .....	527,300	460,900	66,400
Grand total .....	15,118,000	11,410,300	3,707,700

TABLE 6.—Amounts requested for R.D.T. & E. authorization in fiscal year 1967 supplemental request

[In thousands of dollars]

	Authorized, fiscal year 1967	Appropriated, fiscal year 1967	Supplemental new obligational authority, fiscal year 1967
<b>Research, development, test, and evaluation:</b>			
Army .....	1,539,500	1,528,700	40,000
Navy (including the Marine Corps) .....	1,801,100	1,758,600	40,000
Air Force .....	3,118,600	3,112,600	33,000
Defense agencies .....	459,059	459,059	22,000
Emergency fund .....	125,000	125,000	0
Total .....	7,043,259	6,983,959	135,000

Mr. Chairman, this completes a very hurried summary of the supplemental. General Wheeler and I will be very pleased to take your questions on the subject or on any related matter.

CLASSIFIED AND UNCLASSIFIED VERSIONS OF STATEMENT

Chairman RUSSELL. There is a great deal of information in your testimony, Mr. Secretary, and all of it is marked "secret." It is embarrassing to members of the committee not to be able to answer newspapermen from responsible papers in their own State when they ask what transpired in the hearings. What is the reason for the high secrecy classification?

Secretary McNAMARA. There are specific sentences or allusions to dates in it, Mr. Chairman, that should not be released. The unclassified version, which is here, and available to the members of the com-

mittee, has been purged of those bits of information. In other respects it is almost identical to this.

Chairman RUSSELL. I think it might be well to give the unclassified version to the members of the committee so they will be able to answer questions about it, even though it is not to be released to the press until after the budget message comes in tomorrow.

Secretary McNAMARA. Yes. It would be very helpful I think, Mr. Chairman, if the committee would agree to distribute the unclassified version to the press on Wednesday.

Chairman RUSSELL. This is not for distribution to the press, but for members of the committee.

#### U.S. FORCE STRENGTH IN SOUTH VIETNAM

Secretary McNAMARA. Surely. I had them brought over this morning for that reason. I think you may find them of interest.

Chairman RUSSELL. Mr. Secretary, starting now on the 10 minute limitation, you read at length from your statement last year about the difficulty of making definite plans, but you seem to indicate that our Armed Forces in Vietnam will level off.

[Deleted.]

Secretary McNAMARA. Yes, sir.

Chairman RUSSELL. Next year.

Secretary McNAMARA. That is the current plan.

Chairman RUSSELL. So far as you can see now, you don't propose to increase them above that amount?

Secretary McNAMARA. That is correct. I want to enter a caveat, of course, that the basic policy we are following is the policy we have followed since July 28, 1965, at which time the President said we would send what our military commanders request in the way of combat troops. We proposed to continue to do so.

Now they may request numbers above [deleted] if circumstances change from what we believe they will be, but at the present time we believe their request will approximate that figure.

#### SOUTH VIETNAM ABILITY TO ABSORB TROOP STRENGTHS

I should add, in explaining this, that one of the important factors affecting troop strengths in South Vietnam is the ability of that country to absorb these strengths. I have pointed out the very serious inflation which accompanied our troop buildup, and which was, in part, caused by that buildup. This inflation is as dangerous to the stability of South Vietnam as the military pressures of the Vietcong, and we must seek to combat both.

[Deleted.]

#### DETERMINATION OF MILITARY REQUIREMENTS BY MILITARY OFFICERS

[Deleted.]

Chairman RUSSELL. Inflation seems to be a necessary evil that accompanies Americans everywhere we go; we brought it about in Spain and in countries where we spent much smaller sums. The point I wanted to get at, Mr. Secretary, is that this figure is based on military requirements fixed by the military officers and not by any political policies dictated by civilian personnel.

Secretary McNAMARA. Yes, I want you to hear from General Wheeler on this. He and I were in South Vietnam in October, at which time we discussed this figure with General Westmoreland.

[Deleted.]

It was his belief that [deleted] men would be what he would request and what he would require as he then saw it.

Now he emphasized that he couldn't predict the future accurately and he might like to change his mind. You might like to hear from General Wheeler on this.

Chairman RUSSELL. I realize the impossibility of an exact statement. Proceed, General.

General WHEELER. As the Secretary said, Mr. Chairman, when we were there in October we discussed the problem of the troop buildup with General Westmoreland. I might add that General Westmoreland is perfectly aware of the inflationary problem in South Vietnam. In the course of our discussion, he expressed the view that within an acceptable piaster expenditure limitation [deleted] he could accommodate a troop strength of about [deleted]. He told us that he considered that this level of force would permit him to carry out his campaign for 1967.

Also, as the Secretary said, he did express the view that there might be a contingency facing him which would require him to ask for additional forces.

[Deleted.]

#### DETERMINATION OF OPERATIONAL OBJECTIVES

Chairman RUSSELL. Where is the general overall pattern of our operations and the nature of our objectives in Vietnam fixed, General? Is it done by the Joint Chiefs, by General Westmoreland, or by the Commander in Chief with the advice of the Secretary of Defense?

General WHEELER. The objectives for operations in South Vietnam are fixed by General Westmoreland, Mr. Chairman. He examines the problem facing him militarily, and decides himself upon the various tactical operations that will be undertaken to reach these objectives.

He, of course, keeps Admiral Sharp, the Joint Chiefs of Staff and the Secretary of Defense apprised of his views and of his need for troops and materiel to carry out his operations, but General Westmoreland is the man who fixes the objectives and conducts the operations.

#### ACTIONS AGAINST NORTH VIETNAM

Chairman RUSSELL. Has he made any specific recommendations regarding action that should be taken in the war in North Vietnam, such as at Haiphong?

General WHEELER. He has addressed the problem of North Vietnam, because he considers it to be the source of many of the men and practically all of the supplies except food that support the enemy operations in South Vietnam with which he must deal. He is mostly concerned, of course, with operations against enemy infiltration [deleted].

General Westmoreland supports the bombing campaign against North Vietnam in order to reduce the level of infiltration of men and supplies to the south. [Deleted.]

Chairman RUSSELL. [Deleted.]

General WHEELER. [Deleted.]

[Colloquy deleted.]

Chairman RUSSELL. So everything is not directed by General Westmoreland in Vietnam.

General WHEELER. I tried to make a distinction, Mr. Chairman, between operations within South Vietnam proper and operations within southeast Asia; in other words, to distinguish between the operations against North Vietnam and operations within South Vietnam.

Chairman RUSSELL. I have several other questions, but unfortunately I have used my 10 minutes. Senator Young.

Senator YOUNG of North Dakota. I will pass.

Chairman RUSSELL. Senator Smith.

#### CONTROL OF AIR OPERATIONS IN SOUTH AND NORTH VIETNAM

Senator SMITH. Mr. Chairman. Mr. Secretary, I understand that the unified commander responsible for operations in South Vietnam is Admiral Sharp in Hawaii. Control of the air operations over North and South Vietnam is vested in different offices. Have you considered the desirability of establishing a unified command in southeast Asia?

Secretary McNAMARA. Yes, Senator Smith, I have, but the considerations against doing so outweigh those in favor. The Joint Chiefs, for example, as well as Admiral Sharp, believe it would be wiser to retain command of the air operations in CINCPAC's headquarters in Honolulu. I, therefore, made the decision to leave it there a year or a year and a half ago, and have not reconsidered it since that time.

#### VIETCONG STRENGTH INCREASE

Senator SMITH. I am sure Admiral Sharp is a splendid officer, but it is difficult to understand why we should have a unified command in Hawaii responsible for the operations in Vietnam.

From the figures on page 12 of your statement, the Vietcong lost 78,000 men in 1966, but increased their strength in South Vietnam by 25,000. Thus it is obvious that the Vietcong is continuing to recruit in South Vietnam and to infiltrate from North Vietnam. Are there any possibilities for interdicting the infiltration from North Vietnam that are not now being used?

Secretary McNAMARA. Well, with the exception that at various times some recommendations have been made to bomb targets in the North, recommendations that have not been approved, recommendations which in my opinion would have very little effect on the infiltration—the answer is “No.”

Senator SMITH. The use of aircraft is—

Secretary McNAMARA. Senator Smith, perhaps I should expand on that and add one further thought. There are some possible technological developments that would assist us in obtaining greater control over the infiltration. [Deleted.] These are under consideration. [Deleted.]

#### B-52 AIRCRAFT UTILIZATION AND LIFE

Senator SMITH. The use of aircraft in southeast Asia is topsy-turvy in that strategic aircraft—the B-52's are being used for tactical bombing, and tactical aircraft—the F-105's and the F-4's—are being used

for strategic bombings. How much longer will the B-52's that are flying from Guam last at the use rate to which they have been subjected in 1966?

Secretary McNAMARA. I think we could continue to fly those missions indefinitely, Senator Smith. We have so far as I know no problem whatsoever with respect to the availability of B-52 aircraft for those operations over an indefinite period into the future. [Deleted.]

U.S. FUNDING OF SOUTH VIETNAMESE AND OTHER FREE WORLD FORCES IN SOUTH VIETNAM

Senator SMITH. Under the provisions of the supplemental authorization approved last year, funds authorized and appropriated for use of the Armed Forces of the United States, may be made available for the support of the Vietnamese and other Free World forces in Vietnam and for related costs.

The reports furnished to the committees on such use show the estimated value by country of such support.

Could you tell us more about the nature of this support? For instance, what are we doing for the Koreans? [Deleted.]

Secretary McNAMARA. I would like to reply now, and then, if necessary, expand my answer for the record.

Senator SMITH. Mr. Chairman, I hope that can be done.

Chairman RUSSELL. Very well, without objection.

Secretary McNAMARA. In the case of Korea, we are supplying essentially all of the materiel that is consumed in South Vietnam, all the ammunition, for example, and replacements for all equipment that is lost or destroyed or otherwise made nonusable there.

[Deleted.]

Senator SMITH. Mr. Secretary, will you look at this when you come to it and furnish us a report on the related costs?

Secretary McNAMARA. I will.

(The information is classified and was furnished separately to the committee.)

A-7-A AIRCRAFT

Senator SMITH. Table 6 shows that [deleted] Navy A-7A aircraft were deleted by a reprogramming in the amount of \$144.2 million, and that in the supplemental you are requesting restoration of the [deleted] aircraft at a cost of \$209.8 million.

Does this represent an increase in the price of the aircraft?

Secretary McNAMARA. I believe it is partly an increase in the price of the aircraft. There is also a delay in the program related to certain improvements we want to make in the aircraft. The two of them came together, and both permitted the initial reprogramming action and required the later restoration.

Senator SMITH. You may want to add to that.

Secretary McNAMARA. The additional \$65 million is partially a result of an increase in the price of this aircraft, but it results also from other factors which I would like to explain.

First, with respect to the price increase, I would like to mention that we entered the A-7A procurement program by executing a four-lot fixed-price contract which included two lots of R. & D. aircraft and two lots of production A-7A's. The production lots were

included in our fiscal year 1965 and fiscal year 1966 requests and were very favorably priced due to the competition which preceded the contract award. Commencing with fiscal year 1967, we must negotiate each A-7A contract based on current economic factors. These factors, together with some slippage in the Air Force A7 program, have caused us to raise our cost estimate for the [deleted] A-7A airframes by about \$25 million when compared to our request of last January (1966).

Furthermore, based on attack aircraft experience in southeast Asia, we are incorporating multiple racks for carrying ordnance [deleted] and variable wing flaps for increased safety under heavy load takeoff conditions. The cost of engineering these changes into the existing design and procuring the production quantities of the new equipments has added approximately \$20 million to the previous estimate for the [deleted] aircraft.

Finally, based on experience in southeast Asia, we have intensified our predeployment Navy and Marine pilot and crew combat training syllabus and in that connection we are providing additional A-7A ground support equipment at two Marine and one Navy training site. These outfittings have added about \$20 million to our original request.

All of these items have caused us to increase our A-7A request by approximately \$65 million [deleted].

Senator SMITH. That is all I have now, Mr. Chairman. Will you permit the unused time to go over into the next period?

Chairman RUSSELL. I was going to ask you for it, but if you want to do that—

Senator SMITH. I will yield the rest of my time to the chairman.

#### SOUTH VIETNAM CONSTRUCTION COST OVERRUNS

Chairman RUSSELL. I will use that, thank you. You are very gracious.

Isn't this an enormous overrun in cost, Mr. Secretary, on the construction item?

Secretary McNAMARA. Twenty-three percent in South Vietnam.

Chairman RUSSELL. I don't remember seeing overruns that high even in World War II.

Secretary McNAMARA. No, sir. I think the cost overruns are much lower than what I had feared, Mr. Chairman, and I think they are much lower than in the past. I tried to find out about the extent of cost overruns of Korea and World War II, and I wasn't able to obtain any data that were very meaningful.

Chairman RUSSELL. Would you get some for the record?

Secretary McNAMARA. I will continue to try. I have a considerable amount of Korean war data I can introduce into the record, but I was never able to get good data on the construction cost overruns.

Chairman RUSSELL. No, sir. I would like to get the percentages of installations that were higher in all of the wars.

Secretary McNAMARA. I will try to do so.

Chairman RUSSELL. Substantial-sized increases, because they may have an unusually high percentage.

Secretary McNAMARA. I will try to do so, Mr. Chairman. I haven't been able to get it so far. These overruns have been running actually at less than we estimated a few months ago.

(The information follows:)

Unlike the present situation in southeast Asia where military construction projects are being performed by civilian contractors and financed in the military construction accounts, such projects in Korea and World War II were performed by military construction battalions as a part of regular military operations. Moreover, in these earlier conflicts, such overseas construction was financed in the operations and maintenance accounts, and it is impossible to isolate related costs. As a result, it is impossible to estimate, on a comparable basis, military construction cost overruns during previous wars.

#### VENEREAL DISEASE STATISTICS

Chairman RUSSELL. I was very much concerned to notice the incidence of venereal disease there amongst the troops—General Wheeler, is it any higher than it was in Korea?

General WHEELER. I cannot answer the question, Mr. Chairman. I will have to get some figures on it.

I was quite surprised to see that article in the paper this morning, particularly since I happen to know that in a number of areas there, the local communities are off limits to the troops. For example, in Toy Hoa there is a little town on the road which the commanders do not permit the troops to use. The same is true in much of the Da Nang area. I will check that out against Korea with its present figures and supply it to you.

Chairman RUSSELL. Would you supply a statement for the record? That article was carried by the Associated Press and every Representative will get letters that he will want to answer.

(The statement follows:)

Throughout the Services, commanders at all levels, with the assistance of their chaplains, maintain continuing programs of education and moral guidance with respect to venereal disease. It must be admitted that these programs, in spite of a multitude of variations, are not eminently successful. The U.S. Public Health Service has stated that more than 50 percent of all reported infectious venereal disease in the United States occurs among those under 25 years of age. Our forces overseas, of course, contain a great number in this age group. That the relatively brief contact of the Armed Forces with young soldiers cannot be expected to alter the latter's mores is borne out by the following passage from a Task Force report to the Surgeon General of the Public Health Service:

"These efforts (VD education) should be related to education in family life and living. . . . These program efforts must be supported by an educational effort designed to influence the behavior of people, particularly teenagers and young adults, to make choices which preclude the possibility of infection."

1. The number of cases of venereal disease as reported by the Washington Post Foreign Service refers to computations based on known rates multiplied by published total U.S. troop strength. U.S. Army rate in Vietnam for 1966 is 280.7/1,000/year. The exact number of Army cases is unknown and cannot be computed accurately because of changing strength figures. Based on an "average Army strength" 43,421 cases occurred between 1 December 1965-30 November 1966 in Vietnam.

2. The following compares venereal disease rates in Army personnel—cases and rates per 1,000 per year (December 1965 through November 1966). Includes cases treated on a duty status and cases excused from duty.

	Worldwide		United States		Vietnam		Korea	
	Cases	Rate	Cases	Rate	Cases	Rate	Cases	Rate
All personnel, all venereal disease.....	89,192	74.0	17,595	27.8	43,421	280.7	15,746	321.7
Gonorrhoea.....	81,820	72.5	16,986	26.8	38,607	249.6	14,594	298.1
Syphilis.....	2,148	1.9	500	.8	747	4.8	449	9.2
Other venereal disease.....	5,224	4.6	109	.2	4,067	26.3	703	14.4

3. VD rates in Korea during the Korean War were as follows:

1951—151/1,000/annum

1952—193/1,000/annum

Monthly rates fluctuated, running as high as 248/1,000/annum and as low as 75/1,000/annum. Rates in Japan, during this period, were generally about 30 higher.

#### U.S. FORCE STRENGTH IN SOUTH VIETNAM AND THAILAND

Chairman RUSSELL. Senator Ellender?

Senator ELLENDER. Mr. McNamara, you stated that our strength last year was 383,000 in South Vietnam, 35,000 in Thailand, and you stated that you were going to raise South Vietnam to [deleted] by December.

Do you contemplate increasing the Navy strength [deleted]?

Secretary McNAMARA. No, sir. [Deleted.] The naval strength will be for all practical purposes constant.

Senator ELLENDER. [Deleted.]

Secretary McNAMARA. [Deleted.]

Senator ELLENDER. You mean mechanics?

Secretary McNAMARA. [Deleted.]

#### VIETCONG TROOP STRENGTH AND RECRUITMENT

Senator ELLENDER. I notice that you also stated that the VC troops amounted to 230,000.

Secretary McNAMARA. Plus the regular 45,000 North Vietnamese.

Senator ELLENDER. I am coming to that. Have those been recruited in South Vietnam?

Secretary McNAMARA. A very substantial percentage of the 230,000 has come from the north, particularly a high percentage of its leaders and cadremen.

Senator ELLENDER. Did that occur during the time that there came into South Vietnam around 500,000 North Vietnamese without proper—

Secretary McNAMARA. No.

Senator ELLENDER. Are those separate?

Secretary McNAMARA. They are separate and later than that, and it occurred during the period 1959 to date. When I say a substantial percentage of the leaders and the cadremen came from the north, I do not want to mislead you. The great bulk of them [deleted] have been recruited in the south.

Senator ELLENDER. Those who were recruited from those two areas that we have been discussing, one northwest of Saigon and the other in the delta, do you remember we discussed that last year?

Secretary McNAMARA. The men, the Vietcong who were recruited in the south came from all over the country.

Senator ELLENDER. You mean all over South Vietnam?

Secretary McNAMARA. All over South Vietnam.

Senator ELLENDER. Yes; I realize that, but there were two pockets of resistance there for a long time that we discussed at hearings during the last 2 or 3 years, and as I have pointed out I have always thought that was where our trouble started.

#### ABSENCE OF COMBAT TROOPS FROM WESTERN EUROPEAN NATIONS

Now, Senator Smith has already asked questions that I had marked concerning the number of so-called free world military personnel. I do not wish to duplicate the fine job she has done with her interrogation of you.

Secretary McNAMARA. Yes.

Senator ELLENDER. You did say that there are 53,000 all together. What efforts, if any, have been made in recent months to get assistance from the countries of Western Europe, or any other area?

Secretary McNAMARA. The President has instructed the Secretary of State either to contact personally—and he did personally contact many of the Western European governments—or, alternatively, to have our Ambassadors contact them, to seek military forces for South Vietnam.

Senator ELLENDER. With what result?

Secretary McNAMARA. No Western European nation has agreed to send combat troops to South Vietnam.

Senator ELLENDER. That is the same answer I think you gave me last year, and the year before, about trying to get assistance from Western Europe. Our allies simply will not help. All we do is ask, and if they refuse, well, that is that.

#### FUNDING OF SOUTH KOREAN TROOPS

Now, of the South Korean troops numbering 46,000 men, what support does the South Korean Government render to these forces?

Secretary McNAMARA. It pays their basic compensation.

Senator ELLENDER. That they would receive in South Korea?

Secretary McNAMARA. Yes.

Senator ELLENDER. What does that amount to?

Secretary McNAMARA. [Deleted.]

Senator ELLENDER. What does that amount to, about, per soldier?

Secretary McNAMARA. It would be small. I would like to give you the figure for the record, Senator. I cannot give it to you off-hand.

Senator ELLENDER. I think it is \$5 or \$6 a month.

Secretary McNAMARA. That is about right for an officer but the average for an enlisted man is not over a dollar and a half a month.

Senator ELLENDER. [Deleted.]

Secretary McNAMARA. [Deleted.] I checked the costs for the first quarter of the fiscal year 1967 period. We were paying about \$144 million for all free world forces. That meant primarily South Vietnamese and Korean during that period of time. That covered equipment, [deleted] et cetera.

Senator ELLENDER. Do we pay all logistics?

Secretary McNAMARA. All logistics.

Senator ELLENDER. Of the South Koreans?

Secretary McNAMARA. Yes.

Senator ELLENDER. And then, as I recall, you stated last year that for every division that came from South Korea to South Vietnam, we had to retrain divisions in South Korea; is that right?

Secretary McNAMARA. No, that is not correct, Senator Ellender. We have a very complicated arrangement [deleted] and I would like to insert the details of that in the record, if you wish.

Senator ELLENDER. But the fact remains that we have to supply the wherewithal to train these people, that is to replace those that are sent to South Vietnam.

Secretary McNAMARA. [Deleted.]

Senator ELLENDER. Will you give us the details about that?

Secretary McNAMARA. Yes, sir.

Senator ELLENDER. Because I think if you look up the record, you are going to see that you did say—

Secretary McNAMARA. No.

Senator ELLENDER (continuing). That for every division or every battalion that we obtained from South Korea, to go to South Vietnam, we had to replace them.

Secretary McNAMARA. No, that is not correct. [Deleted.]

Senator ELLENDER. Sure.

Secretary McNAMARA. But in our cause as well.

Senator ELLENDER. Yes.

Secretary McNAMARA. I do not think we should overlook that.

#### U.S. FINANCIAL BURDEN IN SOUTH VIETNAM

Senator ELLENDER. I understand that.

That is the same thing with Western Europe. The same argument can be advanced all over. But the point I want to try to make is that we are bearing the whole load in South Vietnam. That is what I am trying to bring out.

Secretary McNAMARA. [Deleted.]

Senator ELLENDER. [Deleted.]

Secretary McNAMARA. And the very good reason is that the South Koreans, given their economic limitations, are not in a position to bear more than they are.

#### FUNDING OF PHILIPPINE TROOPS

Senator ELLENDER. I thought you would answer my question that way. What about the Philippines? What is your agreement with the Philippines?

Secretary McNAMARA. The Philippine Government has about 2,100 military personnel in South Vietnam. [Deleted.] I would like to insert in the record the details of our arrangement concerning the Philippine contingent.

(The information requested is classified and was furnished separately to the committee.)

Senator ELLENDER. Do we pay their logistics, also?

Secretary McNAMARA. Essentially we pay their logistics [deleted.]

Senator ELLENDER. [Deleted.]

[Colloquy deleted.]

## U.S. OBLIGATION TO SOUTH KOREAN AND PHILIPPINE WIDOWS AND CHILDREN OF DECEASED TROOPS

Senator ELLENDER. What are we doing in order to help the widows and children of dead South Koreans or Filipinos? Do we have any obligation there to assist them?

Secretary McNAMARA. Senator Ellender, it has been months since we negotiated these agreements and I would like to check the agreement and provide an answer for the record.

(The information was classified and was separately provided to the committee.)

Chairman RUSSELL. Senator McClellan?

## ENEMY AND ALLIED STRENGTH RATIO

Senator McCLELLAN. Mr. Chairman, I am sure I will not be able to ask all the questions that I should like to ask in this brief time, and after this very casual examination of the statement, but I would like for the moment to pursue—

Chairman RUSSELL. If you stay with us, the Secretary is going to be available all this week here, if necessary.

Senator McCLELLAN. Very good, but it will take some time for a layman to understand all that is involved here.

I want to pursue for a moment the point about our strength over there.

Am I correct in saying that your statement shows that in North Vietnam the total Communist strength in South Vietnam, including about 45,000 to 55,000 regular North Vietnamese, adds to only approximately 275,000?

Secretary McNAMARA. That is generally correct, yes. These numbers are not precise, and I do not want to appear to make them so. That is the best estimate we have today of the total.

Senator McCLELLAN. The armed personnel that we are opposing over there is about 275,000?

Secretary McNAMARA. That is correct.

Senator McCLELLAN. From all sources?

Secretary McNAMARA. That is correct.

Senator McCLELLAN. How many do the South Vietnamese have under arms, 730,000?

Secretary McNAMARA. Including about 55,000 national police, they have about 730,000.

Senator McCLELLAN. 55,000 national police. Let's take them out. They have got at least 650,000 under arms?

Secretary McNAMARA. Yes, that is correct.

Senator McCLELLAN. For military purposes?

Secretary McNAMARA. That is correct.

Senator McCLELLAN. And the North Vietnamese have only about—

Senator PASTORE. Twenty-six.

Senator McCLELLAN. I understood at one point here he said 45 to 50.

Secretary McNAMARA. Yes, they had 26,000 at the beginning of the year, 45,000 at the end of the year.

Senator McCLELLAN. They have increased their strength?

Secretary McNAMARA. Yes.

Senator McCLELLAN. Am I correct that we now have a total of our personnel in the Army, the Air Force and the Navy which amounts to 454,000 in South Vietnam and Thailand?

Secretary McNAMARA. And the Navy.

Senator McCLELLAN. And the Navy, yes. Is that correct?

Secretary McNAMARA. That is correct.

Senator McCLELLAN. We have, then, in addition to that, 53,000 from other free countries?

Secretary McNAMARA. That is correct.

Senator McCLELLAN. Therefore, making generous allowances for the South Vietnamese, we have a force, we and our allies, of over one and a quarter million people under arms, fighting a force of 275,000, is that correct?

Secretary McNAMARA. That is approximately correct, Senator McClellan.

In addition to the 275,000, to make it comparable to the 1,150,000 or 1,250,000, one must take account of porters and what one might call civilians impressed into the support of the military, and there are lots of them, but the fact still remains that we substantially outnumber the North Vietnamese and National Liberation Front forces. This has been known for some time, and it is traditional in guerrilla campaigns that there should be that ratio. The question is, do we outnumber them enough?

Senator McCLELLAN. I just wanted to get the record clear.

Secretary McNAMARA. The record is completely clear. It is clear on the public record.

#### ALLIED WEAPON AND MOBILITY SUPERIORITY

Senator McCLELLAN. Now, along with our superiority of about 4 to 1 in manpower, are not our weapons quite superior?

Secretary McNAMARA. No question about it whatsoever.

Senator McCLELLAN. No questions about that. Is not our mobility, our ability to move, to strike, superior to that of the enemy?

Secretary McNAMARA. Surely.

Senator McCLELLAN. Is it not much greater than theirs?

Secretary McNAMARA. Surely.

#### UNDETERMINED FORCE RATIO REQUISITE TO COMPEL SETTLEMENT

Senator McCLELLAN. Does it not raise some question—I am just a layman, but we have had a lot of controversy about this. I have generally supported this war effort, but I begin to wonder, with all of those forces over there, why we cannot bring into subjection or under control an armed force that is one-fourth, or less, the strength of our own.

I wonder how much more it is going to take, if this won't do it, to bring them to some kind of terms where at least they will sit down and talk about settling this thing.

Secretary McNAMARA. I think that is a good question, and I can only answer it in this way: In guerrilla war, in the past, the ratio of 10 to 1 has been thought necessary to destroy the capability of the guerrillas to carry on their subversion.

We have never felt we needed 10 to 1 in this instance, exactly because of the factors that you point to—our firepower and mobility. Whether 4 to 1, or between 4 and 5 to 1, is satisfactory, I cannot tell you.

I do know that the National Liberation Front and the North Vietnamese forces have not won a single victory in months.

Senator McCLELLAN. Let me ask you this, Mr. Secretary—

Secretary McNAMARA. And I do know that they are bearing substantial casualties. Now, how long they will be willing to continue this, I cannot say.

Senator McCLELLAN. Let me ask you this: You say you cannot tell us whether this force is sufficient. How long is it going to take us to find out whether we are going to need 10 to 1 or 8 to 1 or whether 5 to 1 will do it?

Secretary McNAMARA. Senator McClellan, I do not think anyone has been able to predict in advance with any accuracy at all the total forces required in a military conflict or the period of that conflict, and I cannot predict them here.

Senator McCLELLAN. You have a lot of projections here. We need them. I know that. And I know they cannot be completely accurate, or not always relied upon, but here we are getting deeper into this. We are appropriating more and more money. Can we not get from the Defense Department and from its military chiefs some estimate of how long this war will continue at the present pace. Can we be told whether we need to increase our strength to do whatever is necessary to bring it to an end quickly?

Secretary McNAMARA. I think we have given you the best estimates that we are capable of, Senator.

Senator McCLELLAN. I do not get any estimates.

Secretary McNAMARA. On the contrary, Senator McClellan, you have got an estimate of the U.S. forces for the next 17 months. I do not know any estimates ever given by the Defense Department, either in World War II or during the active phase of the Korean war, 17 months ahead.

#### POSSIBLE WAR DURATION PROJECTION

Senator McCLELLAN. I know we had one estimate that we would have them all home next year. Now, can we get some estimate here of how long that war will be as we are fighting it now on the present scale—how long do you think it is going to last?

Secretary McNAMARA. I cannot answer the question.

Senator McCLELLAN. Do you feel, then, that we should accelerate our efforts, strengthen our efforts, increase them, either in manpower, money, equipment or in whatever way, to try to bring it to a successful conclusion sooner?

Secretary McNAMARA. I think this is the optimum combination of risk and manpower and resource application, and I would not propose a change in it.

Senator McCLELLAN. You would not change it?

Secretary McNAMARA. No, sir.

Senator McCLELLAN. Well, I have read statements, some of them I think emanating from sources of our Government, some of our generals maybe, that it is probably going to take 8 or 10 years to win this war. Do you agree?

Secretary McNAMARA. No, sir, I do not.

Senator McCLELLAN. On the basis we are going now.

Secretary McNAMARA. No, sir, I do not. I do not know any senior military officer who has made such a statement.

Senator McCLELLAN. I could be mistaken, but I have seen that it is going to take a long time. Even the President says that in his message. I do not know what is meant by a "long time." Some have suggested a period of years. Do we have anything today that we can tell the American people about, on the basis of our present operations, our present strength and our present projections and requests here, to indicate how long it will be before we can expect to get some better results than we are now getting, in bringing this thing to a conclusion?

Secretary McNAMARA. Only what the President said in his message, Senator McClellan. As I said, I do not think this is unique. I do not know of any war of any substantial size that anyone has ever been able to predict the end of it accurately, and we cannot do it here.

#### CRITICISM BY AND REASSURANCE TO PUBLIC

Senator McCLELLAN. I do not think you can predict it accurately, Mr. Secretary, but we have a problem in this country today when we have persons who are opposing the whole plan and scheme of this war and everything we are doing. The administration is being criticized, your Department is being criticized. In other words, our leadership and the administration is being criticized rather seriously in this whole program.

I wonder if we can give some statement here or projection to the American people that will give them some reassurance that we are on the right track and that we can expect to be successful in the course we are now pursuing.

Secretary McNAMARA. Yes, I think we can definitely give such a statement. The President gave it, Senator McClellan, but that is quite different from saying when we will conclude the operation.

General Wheeler has just come back from Vietnam and—

Senator McCLELLAN. Can we give them anything?

Chairman RUSSELL. Senator McClellan's time has expired. Can you complete your answer?

Secretary McNAMARA. Yes, sir.

General Wheeler has just come back from South Vietnam. He returned a week or 10 days ago. I think he can give you a statement which indicates we believe we are on the track that will lead to a successful conclusion of the war, but he cannot predict when it is going to end.

Chairman RUSSELL. Senator Young?

#### AIR BASE CONSTRUCTION REDUCTION AND COST

Senator YOUNG of North Dakota. Mr. Secretary, why was it necessary to curtail work on the [deleted] to only complete the airbase on a bare bones basis?

How much have we spent on this airbase now and what part of the completed construction will be useful to us?

Secretary McNAMARA. The Air Force originally proposed that we build a complete airbase at that place, and I think the cost would have amounted to about \$40 or \$50 million. In examining the program,

we came to the conclusion that we did not need a complete airbase, that we could operate with nothing more than what I will call a dispersal facility there. We therefore are proceeding on that program, and we can complete as much as we need for a total of about, I would think, \$17 million, at a very substantial savings in cost from what it would have amounted to had we proceeded with the full construction program.

Senator YOUNG of North Dakota. How much have you spent on it now, about \$14 million?

Secretary McNAMARA. No. I think that the amount is less than that. I was just trying to think when it was going to be completed. It is later this year. Let me bring, this afternoon, a time schedule for completion and based on that I can estimate exactly how much we have spent to date. I can recall that the total estimated cost for the presently authorized work is about \$17 million.

(Additional classified information was furnished to the committee.)

#### COMPLETION OF RUNWAYS FOR DISPERSAL

Senator YOUNG of North Dakota. Do you plan to complete the runways?

Secretary McNAMARA. We plan to complete the runways for use as what I will call a dispersal base. We do not plan to complete all of the associated facilities. And when it is used for dispersal purposes, or expansion purposes, it will be used with movable equipment that is moved in for the period when the aircraft are there, and can be taken out when they leave.

This will be a much cheaper way, we believe, of achieving the capability we require.

#### U.S. SUPPORT FOR THAILAND COUNTERINSURGENCY FORCES

Senator YOUNG of North Dakota. Our Ambassador to Thailand, Mr. Graham Martin, in a recent speech, is reported to have disclosed that "U.S. helicopter crews now ferrying Thai troops into combat against Communist guerrillas in northeast Thailand would be 'reassigned' to other duties within 2 weeks."

Just what is the situation with respect to the support we are giving the Thais in their efforts to cope with the guerrillas in northeast Thailand?

Secretary McNAMARA. Last summer the Thais asked us to loan them a helicopter squadron, so that they might increase the mobility of their counterinsurgency forces in northeast Thailand. After considerable discussion, we agreed to loan them one helicopter squadron until January 31 of this year, 1967. That is still the plan, and the squadron is under orders to be removed from Thailand at the end of this week.

Senator YOUNG of North Dakota. They will furnish their own—

Secretary McNAMARA. They will then furnish their own lift. We feel that it is their responsibility and they are willing to assume the responsibility to counter the insurgents that are in the northeastern area of their country. We do not feel we should use, under current circumstances, U.S. troops for that purpose, and we therefore are withdrawing the helicopter squadron.

## U.S. NONCOMBAT ADVISERS IN THAILAND

Senator YOUNG of North Dakota. Do we have any so-called advisers fighting with their troops?

Secretary McNAMARA. There are no U.S. advisers fighting with their troops. I think I am correct in saying that.

General WHEELER. That is correct. We do have a military assistance group there, Senator; but contrary to the practice in South Vietnam, where these individuals go all the way down to the battalion level, the MAAG officers in Thailand are held in a central group and merely advise at the higher levels of command.

## SOUTH VIETNAM POPULATION AND LAND CONTROLS

Senator YOUNG of North Dakota. Last year, Mr. Secretary, you stated with respect to the population of South Vietnam the Ky government controlled 53 percent, the Vietcong, 23, and 23 percent in disputed areas. With respect to the land areas you said your own estimate was that the Vietcong controls 60 percent of the land area. Has this situation changed in the last year?

Secretary McNAMARA. I do not think so, Senator Young. I noticed some figures yesterday or the day before that showed that the Vietnamese Government controlled, I think they said, 54 to 56 percent of the population. I do not put too much weight on those figures, because of the way in which they are compiled. But I think the figures I gave you last year are fairly representative of the situation today.

## U.S. OPERATIONS IN MEKONG DELTA

Senator YOUNG of North Dakota. Will we be greatly expanding our operations in the delta area this year? I understood a few months ago that this was not scheduled for calendar year 1967, but we are moving in there now.

Secretary McNAMARA. [Deleted.]

General WHEELER. [Deleted.]

General Westmoreland is going to put a brigade of the 9th Infantry Division at a location in the vicinity of My Tho, which is south of Saigon in the delta [deleted].

Senator YOUNG of North Dakota. [Deleted.]

Secretary McNAMARA. [ Deleted.]

[Colloquy deleted.]

## HANOI-CHINA RAILROAD DESTRUCTION PROBLEMS

Senator YOUNG of North Dakota. With respect to the bombing of the Hanoi-China Railroad, I understand this is a narrow-gage railroad in North Vietnam, and a standard gage in China.

Secretary McNAMARA. It is being converted to a standard gage [deleted].

Senator YOUNG of North Dakota. Is there much important material moving on that railroad from China to North Vietnam?

Secretary McNAMARA. I think a fairly substantial amount of important material is moving along it, Senator Young.

Senator YOUNG of North Dakota. Why is it so difficult to put a railroad like that out of commission when they have their own problems with part of it being narrow gage?

Secretary McNAMARA. I think there are four problems, really. One is that it is heavily protected in places and, therefore, the cost of attacking it is great. Second, the weather is very unpredictable and generally bad.

Third, the bombardment techniques required to destroy a railroad are not far advanced. And a fourth is that the North Vietnamese, because they consider it an important route, have devoted an immense amount of materiel and human resources to repairing it after our attacks. [Deleted.] We have had, for all practical purposes, complete freedom of attack on it at various periods of time, with high losses and poor results. But this is an important point and I think you would like to hear General Wheeler on this.

General WHEELER. As a matter of fact, Senator, within the last week Admiral Sharp has directed a number of attacks against the northeast arm of the railway, concentrating mostly on the bridges and certain rail yards. He has had reasonable success and in this particular case, in this particular period, very light losses.

However, as the Secretary says, there are the problems of bad weather; the fact that a railroad bridge, a relatively small target is a very difficult target to take out from the air; and the fact that I place great stress on is that these people are devoting an awful lot of effort to keeping the railroad open. In fact, they have material stock-piled within the vicinity, they have work crews standing by; and as soon as our boys take out one of these bridges they go back and rebuild it. In some cases, they have actually rebuilt them in as little as 3 days, and have the railroad operational again.

Chairman RUSSELL. Senator Stennis?

GENERAL WESTMORELAND RECOMMENDATION FOR U.S. FORCE STRENGTH IN VIETNAM

Senator STENNIS. Thank you, Mr. Chairman.

Mr. Secretary, with reference to the manpower was it in late October of 1966 that General Westmoreland recommended [deleted] men?

Secretary McNAMARA. No, sir. If I said that, I did not mean to say it.

Senator STENNIS. Would you get the accurate figures?

Secretary McNAMARA. I believe I said that Admiral Sharp, as commander in chief, Pacific, in the early summer or late spring of 1966 had recommended [deleted] men.

Senator STENNIS. What did General Westmoreland recommend during the year 1966, looking to 1967? What was his first recommendation?

Secretary McNAMARA. When General Wheeler and I were in South Vietnam, which was either late September or early October, which was exactly the time we were beginning to put together the supplemental, General Westmoreland told us that he thought he could get by with [deleted].

Senator STENNIS. Going back—Admiral Sharp, though, early in the year had he recommended this [deleted]?

Secretary McNAMARA. Then as a planning figure. Not as a basis for a 1967 supplemental or a 1968 budget, but as a projection of potential requirements far in the future.

Senator STENNIS. That was based on General Westmoreland's recommendations; is that correct?

Secretary McNAMARA. I do not know whether it was or not, Senator Stennis.

Senator STENNIS. In discussing this with him, you did not ask him whether it was General Westmoreland's figure or whether he was consulted?

Secretary McNAMARA. I am sure that Admiral Sharp had talked to or exchanged messages with General Westmoreland, but it was not so firm a plan, or was not submitted for firm approval as a basis for a supplemental, as to require investigation of the full details of how it was put together.

Senator STENNIS. At least at that time it was an estimate, was it not?

Secretary McNAMARA. That is correct.

Senator STENNIS. Before the piaster question came up, did General Westmoreland ever recommend a lesser figure than [deleted] or one approaching it?

Secretary McNAMARA. We were just beginning to formulate our plans for the future, Senator Stennis. I would like to check the record and see. I don't recall General Westmoreland's recommendation, really, until after he talked to General Wheeler and me about the [deleted], because there was a planning conference held in Honolulu to which he sent his representatives in the latter part of October, after he talked to us about the [deleted] and that was the planning conference that developed the strength figure on the basis of which the 1967 supplemental and the 1968 budget have been presented.

Senator STENNIS. I want you to answer fully, of course. Before the piaster limitation was imposed, did General Westmoreland ever recommend, so far as you know, less than [deleted] or some figure near that amount?

Secretary McNAMARA. I don't recall any recommendation from him on the troop level prior to the time General Wheeler and I discussed the matter with him.

Senator STENNIS. With General Westmoreland.

Secretary McNAMARA. That is correct.

Senator STENNIS. So, any recommendation he made as to the [deleted] was made after the piaster problem had been submitted to him, and you had more or less established that as your estimate of what you could take care of [deleted].

Secretary McNAMARA. No; that is not correct, Senator Stennis.

#### FORCE PLAN FACTOR BASES

Senator STENNIS. What did happen?

Secretary McNAMARA. You have two factors in your question. The first is that it is true that the [deleted] recommendation to General Wheeler and to me by General Westmoreland took account of the piaster situation, as it should, but it is not true that I set the piaster limit. The piaster limit or piaster factor, was developed initially by the country team, including its military members, in South Vietnam.

Senator STENNIS. General Westmoreland's figure of [deleted] was in recognition of the piaster problem.

Secretary McNAMARA. Yes.

Senator STENNIS. And the ceiling.

Secretary McNAMARA. Well, no, wait a minute. There were three factors basically that determined the [deleted] plan. One was what I would call the pure military requirement. The other is the psychological environment in which these troops are operating. There is a limit to the number of foreigners that can be absorbed in a small country of that kind without such adverse effects as to—lead to a negative rather than a positive influence of additional forces, and there is also the economic limitation that must be taken into account.

Senator STENNIS. I recognize those things, but the only point I am trying to make is that the piaster problem, rather than the military need, was controlling to an appreciable degree in the manpower planning, wasn't that correct?

Secretary McNAMARA. No. It was one of three factors, Senator Stennis. The initial limit proposed by the civilians and military in South Vietnam was [deleted]. Subsequently, we approved a plan estimated to cost [deleted]. Now I think it will cost less, frankly, but at least I want to emphasize that the total was not determined solely by considerations of inflationary dangers.

Senator STENNIS. That wasn't my question, Mr. Secretary. Was the piaster problem a substantial part or did military need control entirely?

Secretary McNAMARA. There were three factors that affected it, Senator Stennis.

#### MANPOWER AVAILABILITY

Senator STENNIS. Now was there any other factor that caused this limitation of manpower? In other words, did you have the men available, the [deleted].

Secretary McNAMARA. Let me modify the question you asked, Senator Stennis. There is no limitation on manpower.

Senator STENNIS. All right, extract the word "limitation" and put it this way. Was there any other factor?

Secretary McNAMARA. No. We have unlimited manpower available.

Senator STENNIS. Pardon me, let me finish my question. Was there any other factor in arriving at this [deleted] figure besides the piaster? In other words, was there any manpower shortage, or did you have the men available?

Secretary McNAMARA. We have almost literally unlimited men available for South Vietnam.

Senator STENNIS. Without calling in the Reserves?

Secretary McNAMARA. Yes. Well, now when I say that without calling Reserves, let me rephrase it this way. We can supply, given reasonable notice, substantially more men than [deleted] without calling the Reserves. If we don't get the notice and have to build up very quickly, we would have to call the Reserves. But to show you why this is true, let me point out that we very suddenly were able to correct this longstanding problem of the backlog of untrained reservists (REPs), because our Active Forces training load fell off to such a degree that we had available training capacity. This is also reflected in the fact that draft calls in the first 6 months of this year will be about half of what they were in the first 6 months of last year.

Senator STENNIS. May I ask you this question now. You don't have to make an estimate now. Do you think this [deleted] figure that you arrived at would shorten the war or lengthen it?

Secretary McNAMARA. My personal opinion is that additional men will not shorten the war.

#### EFFECT OF U.S. MEKONG DELTA OPERATION ON STRENGTH REQUIREMENT

Senator STENNIS. Now one other matter. In going into the Mekong Delta with our men, what is your estimate of additional manpower that step will take?

Secretary McNAMARA. It won't take additional manpower on top of the [deleted]. The [deleted] includes what forces are planned—

Senator STENNIS. Excuse me, I didn't mean to ask it that way.

Secretary McNAMARA (continuing). To be assigned to the delta. I think you might hear from General Wheeler how many men he thinks might operate in the delta.

Senator STENNIS. Pardon me, I want your estimate, if I may, as to how many men were added because of this Mekong Delta invasion by our troops?

Secretary McNAMARA. No men were specifically added to the force for that purpose.

Senator STENNIS. I got your answer to that, but I want to know of the [deleted] how many did you allot for that purpose?

Secretary McNAMARA. None.

Senator STENNIS. I beg your pardon?

Secretary McNAMARA. None, because there was no breakdown of the [deleted] by geographic area.

Senator STENNIS. May I put it this way. Mr. Chairman, may I ask unanimous consent to ask one more question?

Chairman RUSSELL. Yes. Any objection?

Senator STENNIS. It is the same question. Do you mean that our invasion of the Mekong Delta did not require any additional manpower?

Secretary McNAMARA. Not to my knowledge. But, do you have any different view?

General WHEELER. To respond to your question, Senator Stennis, General Westmoreland had always visualized that when the 9th Infantry Division was deployed to South Vietnam, he would probably use a portion of those forces [deleted] in the Mekong area; but he refuses—and I think correctly—to be completely rigid on this. He told me, when I saw him last week, that he would put one brigade down there to start off with [deleted].

#### FINANCING PLAN EXTENSION

Senator STENNIS. Mr. Chairman, may I just say this. I commend the Secretary for his longer range financing as planned in this program presented here today, which is a departure from the years before when I thought that the Congress ought to be advised further about the probable complete budget for that year, and I though industry was entitled to it, too. I thank you.

Chairman RUSSELL. It has been suggested that I should advise the committee that the reason I have been calling on two Democrats

and one Republican is due to the ratio of the committees. It comes out just that way, two to one, the subcommittee and the full committee, 20 to 10 on these two committees. Senator Pastore.

## SUPPLEMENTAL BUDGET ESTIMATE

Senator PASTORE. I would like to pursue the last statement made by Mr. Stennis. Is it correct for me to say that the supplemental estimate is \$12.9 billion?

Secretary McNAMARA. Yes.

Senator PASTORE. Is that correct?

Secretary McNAMARA. That is correct.

Senator PASTORE. And is it true that your budget estimate for fiscal—

Secretary McNAMARA. May I just add, inclusive of the supplement necessary to cover the pay increases and certain other benefits enacted by the Congress last session.

Senator PASTORE. I realize that. That comes to what, about \$650 million?

Secretary McNAMARA. Roughly \$12.3 billion for southeast Asia supplement and \$600 million roughly for new pay and other benefits.

## 1968 BUDGET ESTIMATE

Senator PASTORE. And your budget estimate for the regular fiscal 1968 is going to be about \$73.1 billion.

Secretary McNAMARA. For expenditures, plus whatever pay increases are subsequently enacted, and it is certain there will be some requested.

Senator PASTORE. Therefore, do you anticipate at this time that there will be a supplemental in 1968?

Secretary McNAMARA. Barring unforeseen emergencies, definitely not.

Senator PASTORE. In other words, this supplemental and the budget request for the regular fiscal year takes into consideration the leadtime problem?

## PRIOR FINANCING OF WARS BY SUPPLEMENTALS

Secretary McNAMARA. Yes, it does. There is a very important point here that needs to be clearly understood. There is a serious danger associated with bringing this kind of a budget before the Congress in a war. It has never been done before. I went back and looked at World War II and Korea and never did they finance a war this way. The Congress specifically asked that it not be financed this way. The Congress is very clear on the record. It prefers to finance wars by supplements.

The reason is very clear. One of the Members of Congress said specifically that the more you get, the more you spend, and the way to hold down war expenditures, while at the same time achieving maximum military effectiveness, is to request the Department to come in with a series of supplements. Four supplementals and two regular budgets were presented during the Korean war in a period of 14 months, and I think the Congress was right.

Now, how do I reconcile that statement with coming in today with a request for a 1967 supplemental associated with a 1968 budget that

does not require a supplemental? Only in this way, and I think you need to understand this.

We are financing aircraft losses, I mean literally combat losses over North Vietnam, through December of 1968 in this supplement, and through December of 1969 in the budget that Senator Pastore referred to. Now that is very dangerous from a fiscal point of view, because if the war does not continue, or if the losses occur at a lesser rate, we are way overfunded, and the same thing applies to all other items of materiel that are influenced by combat operations, particularly air ordnance and ground ordnance.

To show the way in which these estimates can change, CINCPAC asked for [deleted] tons of air ordnance, or CINCPAC planned the consumption of [deleted] tons of air ordnance in a year. We are running today at the rate of about [deleted] tons a year, and as I mentioned to you a moment ago, we are capable of supporting something around let us say [deleted] tons.

We had a schedule for production based on building and leveling off at [deleted] tons per month. I have now cut that back to [deleted] tons by the end of 1967. I am just trying to illustrate the tremendous variability of this. Now, if you take these variable factors and project them ahead for 36 months to December of 1969, and submit a budget to Congress on that basis, you run the very serious risk of overfunding. We thought long and hard before we brought this budget to you on this basis. We feel justified in doing so for this reason. We have developed a concept of two levels of inventories, one associated with a hot line. By "hot line" we mean on-going production, and the other associated with a "cold line." Now the difference is very substantial.

In the case of air ordnance, we believe we need [deleted] tons of air ordnance in stock in peacetime, when our bomb lines are not producing, but we believe in wartime, paradoxically, we can get by with a much lesser inventory because with a "hot line," additional ordnance can be obtained much more quickly. So we have set an inventory limit of between [deleted] tons for wartime, only 60 to 70 percent of the inventory we say we need for peacetime. This is why we think we can bring this budget to you, to answer Senator Pastore's question, without any intended supplement, barring unforeseen emergencies. Because if the war stops before December 1969, in the case of airplanes, and December 1968 in the case of ammunition, or if the rates of expenditure and attrition are less than we have anticipated, we will be able to use the funds to build these inventories back to peacetime levels.

That is the essence of the plan on which we have prepared this budget. I hope it works out. I believe it will.

Senator PASTORE. I think it needs to be clarified and explained, because putting the two together, we have a figure of \$85 billion, which is an astronomical figure. I hope I didn't lose all my time, but if I did I think it was worthwhile.

#### EFFECT ON WAR TERMINATION OF TOTAL MILITARY POWER UTILIZATION

Now let me ask you this question. Without reflecting at all upon the other statement, the statement has been made from time to time that if we used all of our military power, we could end this war in 30 days. Do you agree with that statement?

Secretary McNAMARA. I definitely don't, but I would rather have you hear from the Chairman of the Joint Chiefs of Staff on this, Senator Pastore.

Senator PASTORE. I would like to know what this all means.

General WHEELER. I don't see how you could end this war in 30 days, Senator Pastore, [deleted].

Senator PASTORE. I agree with that [deleted]. Now as I understand it, the estimate of confirmed strength of the Viet Cong, including 45,000 North Vietnamese, is about 275,000.

Secretary McNAMARA. That is correct, sir.

#### NORTH VIETNAM FORCES IN SOUTH VIETNAM

Senator PASTORE. How do you account for such a small number of North Vietnamese? What is the rationalization of this, if we keep saying that this is a war against North Vietnam?

Secretary McNAMARA. They have certain limits on their forces. Many of their men are not well trained to operate in guerrilla activities. They don't know the country of South Vietnam. In some cases, they are not well received by the people of South Vietnam. Beyond that it is difficult for them to supply their forces in South Vietnam. All of these factors tend to limit the number of men that they can put in South Vietnam.

#### VIETCONG INCENTIVES

Senator PASTORE. All right, let me take the converse of that. That means if you take the 45,000 out of the 275,000, you have a goodly sum of indigenous Vietcong. [Deleted.]

Now that being the case, and we have taken a lot of these prisoners, and I know there is no precise answer to this, what do you think makes the South Vietnamese fight, the Vietcong fight? What is he fighting for? Is he fighting for an ideology? Is he fighting for a better way of life? What is he actually fighting for?

Secretary McNAMARA. I think two things. One group is fighting for an ideology. Another group is fighting because they have been impressed into service by terror used against them or their families.

Senator PASTORE. And a man is willing to die because he has been frightened into doing it?

Secretary McNAMARA. Or because it is clear that if he doesn't, his family will pay a penalty. I don't want to try to divide the force into the two groups, but I think both factors are at work.

#### BASIS FOR U.S. EXPECTATION OF WESTERN EUROPEAN ASSISTANCE

Chairman RUSSELL. Your time is up.

Senator PASTORE. Could I ask one more question?

My final question is this: Under what claim or right do you expect Europeans to participate in Vietnam with troops?

Secretary McNAMARA. I suppose that it might be claimed that Britain and France are members of SEATO and have responsibilities to the South Vietnamese that would require that they participate with military force.

Senator PASTORE. Isn't it really because we feel that now we are being imperiled that they should help us the way we helped them?

Secretary McNAMARA. I was going to say the second basic theme would be that we are protecting them and that, therefore, when we need additional military help, they should assist us.

Senator PASTORE. If they persist in their declination, and I don't want to press you on this, I don't want to get into troop withdrawals in Europe, are we going to review our commitments in Europe?

Secretary McNAMARA. Yes, but not because of any alleged failure of the Europeans to support us in southeast Asia.

I think we would be very shortsighted to withdraw forces for that reason and thereby reduce our own security out of spite. And I think that is what we would be doing if we used that argument.

Chairman RUSSELL. Senator Allott.

#### DESERTIONS BY SOUTH VIETNAM FORCES

Senator ALLOTT. Mr. Secretary, last year the committee was advised the desertion rate in South Vietnam regular forces was about 25 percent, I believe, 115,000 out of total forces of 640,000.

The Washington Post said on January 10 that the number was roughly the same in 1966. My understanding is that a new law has been passed there inflicting serious penalties for desertion. Has this had any effect, and what is the situation today?

Secretary McNAMARA. The situation is about as reported in the newspaper article you referred to, Senator Allott, of roughly 116,000 in 1965, and within a few hundred of the same number in 1966, a few hundred more, 116,300 in 1966.

The South Vietnamese Government has taken steps in 1966 to reduce substantially the desertion rate; as best we can tell from the figures, these steps are beginning to prove effective. By quarter, the desertions in 1966 were as follows: 33,000 the first quarter, 35,000 the second quarter, 26,000 the third quarter, and 22,000 the fourth quarter.

Senator ALLOTT. So it has gone down from a quarterly rate of roughly 35,000 to 36,000 to 22,000?

Secretary McNAMARA. That is correct, and they are continuing to act to try to reduce the rate further. Both they and we are quite dissatisfied with even the rate of the last quarter.

#### INFILTRATIONS FROM NORTH VIETNAM

Senator ALLOTT. Another question on personnel, but with respect to the North Vietnamese, last year you advised the committee: "The rate of infiltration from the north into the south at the present as best we can tell is approximately 4,500 men per month."

U.S. News & World Report recently in an interview with General Westmoreland quoted him as saying:

"For the last 6 months it has averaged more than 7,000 a month."

Do you agree with the 7,000-a-month estimate?

Secretary McNAMARA. No, sir, I do not. When I say that, I do not mean to say that I can prove any other figure is definitely correct, but I doubt very much that infiltration has averaged as much as 7,000 or 8,000 in the last 6 months as is sometimes reported. The confusion comes, Senator Allott, from two facts: (1) there is a definite lag in infiltration data, as you can well imagine. We are trying to verify the infiltration data, but it takes [deleted] some time to do so.

Second, there are two different categories of infiltration figures which sometimes become merged into one. The first category is what is called *confirmed* and *probable* infiltrators, now known as *accepted*. The second category is what is known as *possible*. Over a period of time, there is some movement from the *possible* category into the *accepted* category.

In the figures that you are referring to, I believe that the accepted and possible are added together to get to the 7,000 or 8,000 per month, and I think that overstates the level of infiltration. The best guess I could give you at the moment is that for 9 months, infiltration ran something on the order of 5,300 a month, but I would not want to certify that as having any great accuracy, for another 2 or 3 months.

#### BOMBING EFFECT ON INFILTRATIONS AND NORTH VIETNAM WAR-WAGING ABILITY

Senator ALLOTT. Just what effect do you think our increased bombing, and I want to get this too in the north, has had on the infiltration, and also the ability of the North Vietnamese to wage war? I want to refer particularly to your statements on page 19. You say: "For those who thought that air attacks on North Vietnam would end the aggression in South Vietnam"—now, I do not know personally of any people on this committee who thought that way, and so I want to disclaim that, but many of us took a very strong position last year, as you will recall, that a stepped-up bombing in the North could actually slow down the ability of the North Vietnamese to put men in there, and also to supply them, and also to supply the Vietcong. What effect do you think the increased bombing has had on this?

Secretary McNAMARA. Just as in the case of World War II, it took a strategic bombing survey after the war to determine really the results of the bombing. So here, too, I think that during the war it is impossible for us to be certain of the real impact of the bombing.

I will give you my opinion. My opinion is based on the best available analysis within the Government.

I think it is very clear that the bombings have forced the diversion of major resources from other parts of the economy to support of the lines of communication. I do not know exactly how many men or women have been moved from other jobs to that, but I would think on the order of 200,000 to 300,000, and this is a very large number, indeed, in an economy of that size.

The bombings have not reduced the petroleum supplies below about a [deleted] day level at the present time. The bombings appear to have had some adverse effect on public morale, but there is no evidence that to date they have weakened the resolve of the political leaders to continue the war.

Undoubtedly the bombings do limit the capability of the North Vietnamese to infiltrate men and equipment into the south. I think just *a priori* one could arrive at that conclusion. But it is not clear that the limit that results is below the level that the North Vietnamese planned on, and in any event, it is not below the level necessary to support the force in the south at the present time.

#### SUPPLY PERCENTAGE IMPORTED THROUGH PORT OF HAIPHONG

Senator ALLOTT. In your statement, Mr. Secretary, you say that you have destroyed two-thirds of the storage, the petroleum storage

capacity in North Vietnam, and then you refer to your statement which I remember last year about bringing in petroleum over the beach.

Let's go back. First of all, what percentage of the complete supplies do you now figure go through the port of Haiphong?

Secretary McNAMARA. In the strict sense of the word, I do not think we can say what percent goes through the port of Haiphong. The supplies are being offloaded at sea or out in the stream onto barges [deleted].

OVER-THE-BEACH SHIPMENT OF OIL AND PETROLEUM

Senator ALLOTT. How could they take significant amounts of petroleum over the beach without them being subject to our Air Force and our air attacks?

Secretary McNAMARA. Because they are very skillful in hiding and camouflaging the barges that they use for the offloading.

Senator ALLOTT. This is difficult, but on your own personal estimate, what percentage of oil and petroleum, POL, do you think has come over the beach in the past year since we have stepped up the bombing?

Secretary McNAMARA. Well, as I would use "over the beach" as opposed to coming through a—

Senator ALLOTT. Port.

Secretary McNAMARA (continuing). A pipeline into the port, 100 percent. But, would you disagree?

General WHEELER. I would not. We destroyed essentially the unloading facility at Haiphong, Senator. We have kept a close watch on this, and to the best of our knowledge, they are not bringing the tankers in, tying them up alongside a T-head pier, and then pumping into fixed capacity. Instead, as the Secretary said, they are bringing their POL in by three means; first, they are moving small tankers usually, but occasionally a 10,000-ton job, into the stream, well away from the city of Haiphong, unloading it at night into barges, which then [deleted] into the many estuaries in the Haiphong delta.

Secondly, they are bringing in a small quantity of already drummed POL, 55-gallon drums. These are usually deckloads on Soviet freighters or East European freighters. A small quantity undoubtedly comes down the northeast arm of the railroad from China, but I would say that this is only a small percentage of what comes in. The bulk of it is offloaded into barges or comes in by drum.

Senator ALLOTT. I have used my time, I guess, Mr. Chairman.

COMMITTEE RECESS

Chairman RUSSELL. Yes, Senator, I think you have about used it.

The committee will now stand in recess until 2 o'clock and we will meet in the Appropriations Committee room in the Capitol.

(Whereupon, at 12:25 p.m., the hearings were recessed to reconvene at 2 p.m. the same day.)

(AFTERNOON SESSION, 2:05 O'CLOCK, MONDAY, JANUARY 23, 1967)

Present: Senators Russell, Hayden, Ellender, McClellan, Stennis, Pastore, Monroney, Symington, Jackson, Mansfield, Cannon, Young of Ohio, McIntyre, Inouye, Byrd of Virginia, Young of North Dakota, Smith, Allott, Thurmond, Miller, Pearson, and Dominick; also present Senator Hruska.

## DEPARTMENT OF DEFENSE

### OFFICE OF THE SECRETARY

#### STATEMENTS OF HON. ROBERT S. McNAMARA, SECRETARY OF DEFENSE, AND GEN. EARLE G. WHEELER, U.S. ARMY, CHAIRMAN, JOINT CHIEFS OF STAFF—Resumed

##### 105-MILLIMETER AMMUNITION SHORTAGE CORRECTION

Chairman RUSSELL. The committee will come to order. Senator Monroney.

Senator MONRONEY. Thank you, Mr. Chairman.

Mr. Secretary, we had some correspondence about the shortage of the 105-millimeter ammunition which was causing the training of the artillery brigades in your hot brigade units of the National Guard to be shut down. I am glad to see in your statement that you feel you are on the way to the correction of this shortage, but I am disturbed somewhat that you feel you would be able to relieve the shortage in the Vietnamese area, but say nothing about relieving it in the training area.

Secretary McNAMARA. I don't believe there should be any shortages in the training area, Senator Monroney. I have forgotten the correspondence you mentioned, but we have today, for example, in inventory worldwide about [deleted] rounds of 105-millimeter ammunition. In addition to that, we have illuminating rounds. I don't see any reason for any restriction on training.

Senator MONRONEY. We have been checking with the Pentagon rather regularly because our hot brigade, artillery brigade, has not been able to fire for about 6 months.

Secretary McNAMARA. There is absolutely no excuse for that. We are using this 105-millimeter round like water in southeast Asia.

Senator MONRONEY. They are using it over there, but what I am asking is whether we will have enough to provide for adequate training. If the artillery man doesn't get a chance to practice firing, he is not going to be a very good artillery man. I was advised that the hot brigades who performed well in summer camp were told they couldn't fire any more, while the ones who were below the average level were told to go ahead and continue their training.

Secretary McNAMARA. There is no excuse for that, Senator Monroney. It either has escaped my notice or I have forgotten it. I don't remember ever having heard of the problem before, but I do know there are [deleted] rounds of it in inventory today, of which today roughly about [deleted] are in South Vietnam, and the rest is available for training and other purposes. This is not a round that we use in any substantial quantity in Europe, with the new ordnance. As a matter of fact, we only have [deleted] rounds in Europe [deleted].

So I see absolutely no reason for a training restriction. I will look into it and report back to you.

Senator MONRONEY. The chief of our National Guard reported they needed only 4,000 rounds to complete the training for the balance of the training year.

Secretary McNAMARA. Let me tell you right now, he can have it.

Senator MONRONEY. Thank you, sir.

Secretary McNAMARA. That is all we need to say. There is no excuse for not training so far as I can see. Jack, would you make sure it is ordered today and there will be no excuses. While we are on it, let me tell you that we have today in South Vietnam about 40 percent more 105-millimeter howitzers than all of the U.N. forces had in Korea.

Senator MONRONEY. It is today your principal artillery weapon.

Secretary McNAMARA. That is right.

Senator MONRONEY. You can get it across the terrain and handle it by helicopter as well.

Secretary McNAMARA. Exactly.

Senator MONRONEY. We don't know when you will have to call up some of these hot brigade people, but they ought to be efficient in their firing.

Secretary McNAMARA. There is no excuse for any restriction of that kind and there won't be any.

#### U.S. COMBAT AND SOUTH VIETNAM PACIFICATION ROLES

Senator MONRONEY. One other question I would like to ask. On page 23 of your statement you say, "But aside from the organizational problem, the greater part of the Government's military effort," speaking of the South Vietnamese Government, "will have to be devoted to pacification in the future."

[Deleted.]

Now it seems that the Vietnamese Army, [deleted] will be put into pacification jobs, while we have transferred ourselves from the training role we once had. The Vietnamese were fighting their own war, but now we are assuming a major part of the combat, and they will go into the pacification job. I would like to have your comments on that.

Secretary McNAMARA. Yes; I will be happy to comment, Senator Monroney. Your question was basically this. "Has not the Vietnamese Army been switched from what we call large-scale combat to pacification [deleted]?"

It would be assigned to the pacification role because this is the only sure way of ultimately prevailing in South Vietnam, and because we don't believe that our forces should take on pacification as a primary function.

## CASUALTY RATES IN PACIFICATION

Second, the casualty rates in pacification are at least as high and probably higher than those in what we would call the large-scale conflict. I looked at some figures on that the other day, and they are really quite startling.

For example, the regular Vietnamese military forces suffered over 18 months an average of [deleted] killed per thousand men, whereas the pacification forces, the regional forces and popular forces, suffered [deleted] killed per thousand men during the same period. In other words, about [deleted] more. This has been quite consistent for a long period of time.

In terms of missing or captured, the rate for pacification was [deleted] times as much per thousand men. We had our own Marines check into this because they have been doing both pacification and large unit combat, and approximately [deleted] percent of the Marine battle casualties, dead and wounded, resulted from what you would call pacification operations. So, the pacification job is at least as dangerous and will result in at least as high fatalities per thousand men as the large unit action. It is a job that we don't believe the U.S. forces are as well equipped to handle as the Vietnamese, and it is a very necessary job and, therefore, requires an allocation from the regular army to that job.

Senator MONRONEY. But, Mr. Secretary, hadn't the feeling up to now been that the popular forces and the police would handle the pacification, and the fighting would be done by the army, with the help of the U.S. forces? We have gradually taken the leading role in the conquering of the territory and in the principal fighting.

Secretary McNAMARA. No, sir. I think for a long time we have felt, the United States has felt, that the Vietnamese Regular Army was going to have to devote more attention to pacification. General Wheeler and I, for example, talked to Prime Minister Ky and General Thieu, the Chief of State, about this last October.

## REVOLUTIONARY DEVELOPMENT PACIFICATION PROGRAM

General WHEELER. May I speak to this. I took this particular problem when I was in Vietnam earlier this month, Senator Monroney. [Deleted.] The revolutionary development pacification program, or the military portion thereof, contrary to popular conception, is not a static job in any manner. [Deleted.]

There is no intent [deleted] to devote all of the ARVN forces to this program. [Deleted.] None of the so-called elite units will be devoted to this. I am speaking now of the Rangers, the airborne, and the Marines, who are all volunteers.

## PROPOSED USE OF TROOPS BY GENERAL LAMB

Up in the 1st Corps area I talked with General Lamb, who is the corps commander. He had [deleted] maneuver battalions assigned to him. He has already consulted with General Walt, the Marine Corps commander out there, regarding helping him. He wants to put about [deleted] of these forces on the active pacification program and keep the remaining [deleted] for active operations on a larger scale.

Senator MONRONEY. This would leave then about [deleted] of the Army, which has somewhere around [deleted] available for continuing combat, but perhaps broken into smaller units; is that correct?

General WHEELER. That is correct.

Senator MONRONEY. And the other [deleted] of the Army would be used for the pacification. Would they be operating in uncertain and dangerous territory?

General WHEELER. They certainly will, in some cases, the most uncertain and the most dangerous.

Senator MONRONEY. Thank you, sir.

Chairman RUSSELL. Senator Symington.

#### GENERAL RESTLESSNESS OVER WAR

Senator SYMINGTON. Thank you, Mr. Chairman. Mr. Secretary, my questions are with the premise that people in my State are getting unhappy about this war, for one reason or the other. One of the two newspapers in my town are critical of our not going fast enough, the other very critical of going too fast; and there seems to be a general restlessness. Therefore I am going to take the liberty of asking you some pretty detailed questions, and know you understand the spirit in which they are being asked.

Secretary McNAMARA. Surely.

#### EFFECT OF BOMBING INDUSTRIAL CAPACITY OF HAIPHONG DOCKS

Senator SYMINGTON. On page 19 you say, "Most of the war materials sent from North Vietnam to South Vietnam is provided by other Communist countries and no amount of destruction of the industrial capacity of North Vietnam can by itself eliminate this flow."

Presumably that is a premise for heavily restricting the North Vietnamese bombing. I am talking about military targets. On page 6 you say, "The basic tasks which flow from these objectives are two: To interdict the flow of men and supplies from North Vietnam to South Vietnam."

Surely if we hit the industrial capacity of the docks of Haiphong, for example, we would be helping to interdict the flow of supplies and men from North Vietnam to South Vietnam, if your premise on page 19, is that it is all coming from other countries in the main?

Secretary McNAMARA. No, sir; I don't believe so. I submit the POL bombing campaign as illustrative of that. We, in effect, took out the Haiphong docks for unloading of POL, and we have had very little effect on the importation level at the present time. I would think it is about as high today as it would have been if we had never struck the Haiphong docks, and I think the same thing would be true if we took out the cargo docks in Haiphong, for dry cargo.

Senator SYMINGTON. You wouldn't want to go farther and say the more you hit the docks the better it would be for the North Vietnamese.

Secretary McNAMARA. No; I didn't say that.

Senator SYMINGTON. That is what I understood.

Secretary McNAMARA. No; I said the POL level of importation today is about what it would have been had we not hit the Haiphong POL docks.

## NEED FOR MORE TROOPS

Senator SYMINGTON. I was in the I Corps last month and the II Corps and the III Corps. Everybody felt they were doing well, but everybody felt they needed more troops. I note that so far we haven't had any combat troops in the Mekong Delta, where I understand some 70 percent of the people live, and nearly all the food. If we need a lot more troops for the I Corps and the II Corps and the III Corps, aren't we going to need still more if we want to do the job in the delta too?

## EFFECTIVENESS OF U.S. TROOPS IN DELTA

Secretary McNAMARA. General Wheeler spoke to that briefly this morning. We don't know yet how effective U. S. troops can be in the delta. [Deleted.] Bus, do you want to talk about that?

General WHEELER. You have covered the essentials. General Westmoreland is moving the brigade of the 9th Infantry Division into My Tho area [deleted.] However, he told me that he didn't want to attempt a rigid schedule [deleted]. He wants to leave himself flexible.

## JCS TARGET LIST

Senator SYMINGTON. To go to another point in my limited time, when I was out there, they talked about JCS targets as one group of targets, and another group of targets in North Vietnam as another group of targets. Actually, JCS targets are targets that are given to you by higher authority, are they not?

Secretary McNAMARA. No. There is a JCS target list, and these targets are known as JCS targets if they appear on that numbered list. Among the JCS targets, certain of them require higher approval than the JCS for strike purposes.

Senator SYMINGTON. I see.

Secretary McNAMARA. Some of the JCS targets require approval from authorities above the JCS before they can be struck.

## CRITICISM ON CIVILIAN CASUALTIES

Senator SYMINGTON. As you know, we are being heavily criticized in some quarters for killing civilians in North Vietnam. I was interested in a briefing the other day, which showed that a great many more civilians are killed on the less important targets, less meaningful targets, than are killed on the JCS targets. Would you comment about that?

Secretary McNAMARA. The number of civilian casualties in the North is very difficult to determine, as you might expect. It seems clear that the number killed or injured as a result of strikes on fixed targets is very small indeed, considering the past experience in air warfare.

On the other strikes, that is to say those that are armed reconnaissance strikes, it is very, very difficult to determine the total number of casualties, whether they be military or nonmilitary, because you are striking moving targets—trucks, or vessels, or something of that kind. It's particularly difficult to split the total into military and nonmilitary, because these are lines of communication on which trucks and other vehicles are operating, and we don't know who is driving the

truck. We know it is performing a military function. So it is very difficult for me to answer your question. I am not trying to evade it. I am just speaking factually.

Now, Mr. Chairman, could I go off the record here for a second? And then if you feel that it should be put on, I will put it on.

Chairman RUSSELL. All right, I suppose so. As a rule I don't like that. We keep this record under lock and key.

(Off the record.)

#### FOOD PROBLEM IN THE DELTA

Senator SYMINGTON. My next question has to do with the delta, which worries me, because it wasn't long ago that the people of South Vietnam were heavy exporters of rice. Today they are very heavy importers of rice, to the tune of where we are now giving them hundreds of thousands of tons of rice a year. As I remember, the production of rice in the delta has dropped from over 700,000 tons a few years ago to now where it is around 200,000. Won't this problem of lack of food accelerate as we begin to move our troops into the delta and take over the ricelands, and the people move into the cities? Won't that mean that we must increase our economic cost?

Secretary McNAMARA. No, sir; I don't believe so. Without endorsing your figures exactly, they are approximately correct.

Senator SYMINGTON. I think they are about right.

#### REDUCTION OF RICE PRODUCTION

Secretary McNAMARA. There has been a great reduction of rice production in the delta. I don't believe that the production will decline further, if U.S. troops operate there. One of the reasons for the decline has been that the VC controlled many of the areas and skimmed off a portion of the rice crop, and this both reduced the portion available to the Government and commercial channels and it also reduced the incentive to individuals to produce rice. Both of those factors would be favorably affected by effective U.S. military operations in the delta.

Senator SYMINGTON. I heard also that both the Vietcong and the South Vietnamese now like to move rice into Cambodia, because the price is now higher in Cambodia. Maybe the Cambodians move it back.

#### INCREASE IN AREA OF CONTROL

One other question. When Senator Jackson and I were in Hawaii, we were briefed by Admiral Sharp. We were told that the total ground area of control we now have, despite the spending of all these billions, that the area we control has only increased in the last 12 months from [deleted] percent to [deleted] percent of the total. When I was in Saigon, some people said our trouble is, we win the war in the daytime, but lose much of what we won at night. We have not yet a handle on the guerrilla situation, and we don't seem to be making too much progress in the north.

The estimates I got from General Westmoreland at J-2 a year ago last December about infiltration from the north were most inaccurate in their projection, somewhere between 36 and 50 percent off, depending upon whose figures you want to take.

If what we are doing and have done, according to Admiral Sharp, has only increased our possession of the land from [deleted] to [deleted] percent, leaving just under [deleted] percent of the land in the control of the Vietcong instead of just over [deleted] percent, aren't we paying a tremendous price for what we are getting?

Secretary McNAMARA. Senator Symington, first I don't think Admiral Sharp would say that the Vietcong control [deleted] percent of the land. If he said, and I think it is probably correct to say—

Senator SYMINGTON. His people said we controlled [deleted] percent a year ago, today control [deleted].

Secretary McNAMARA. Yes, I was going to say if he said we control [deleted] percent today, and I think that is probably a fair approximation, it doesn't mean the other [deleted] percent is controlled by the VC. A substantial portion is not controlled by either side.

#### MILITARY OBJECTIVES IN 1966

Second, the U.S. military objectives in 1966 were not to obtain control of the land, but rather to deal heavy blows to the main force units of both the National Liberation Front and the North Vietnamese. We think we achieved those objectives.

The best estimates that are available indicate some 56,000 men of the North Vietnamese and NLF forces were killed during that period. The objective was to destroy or substantially weaken the regular forces. I think that has been accomplished.

Now we need to concentrate on increasing security in the countryside, which as you point out is particularly insecure at night, and that is why General Wheeler and I both urged General Thieu and Prime Minister Ky to transfer a substantial percentage of the Regular Army of South Vietnam to the job of pacifying or securing the countryside. That, they have agreed to do and that is underway at present.

Senator SYMINGTON. Thank you, Mr. Chairman.

Chairman RUSSELL. Senator Miller.

#### ARBITRARY ASSUMPTION RELATIVE TO TERMINATION OF COMBAT OPERATIONS

Senator MILLER. Thank you, Mr. Chairman.

Mr. Secretary, on page 2 of your statement you refer to the "arbitrary assumption that combat operations would terminate June 30, 1967."

May I ask the source of that assumption?

Secretary McNAMARA. Yes. It was done for budget purposes, Senator Miller, and was fully described at the time we last appeared here. We didn't do it because the Congress had recommended it, but the Congress did agree to assumptions of that kind for Korea, and as a matter of fact, I believe I am right in saying all of the budgets, including the budget of 1953 for the Korean war, were presented on assumptions of exactly that kind.

Now I mentioned earlier this morning that we have deviated from that practice. I think it is dangerous to deviate unless one is protected against loose financing. We think we have introduced such protection into the fiscal 1967 supplemental and 1968 budget.

Senator MILLER. I was wondering who originated that particular assumption of June 30, 1967. Would it have been General Westmoreland or the Joint Chiefs of Staff?

Secretary McNAMARA. The Joints Chiefs and General Westmoreland supported it, but it doesn't in fact, make any difference to them whether the budgeting is based on that assumption or some other assumption. All they are interested in is the adequacy of the flow of men and materiel, and the budgeting assumption has nothing to do with that.

#### REASON FOR SELECTION OF JUNE 30, 1967, DATE

Senator MILLER. The reason I asked is because about a year ago I was over there and I would guess, from the statements of people with whom I discussed this matter, there was not much possibility of seeing the end of the war in June 1967 and I was wondering why that particular date was selected.

Secretary McNAMARA. Because it is necessary to have some date as a foundation for budget purposes. If it wasn't that date, it would have to be some other date. We picked a date such that we would not overbuy, yet which provided us with sufficient leeway so that we could buy enough to cover all leadtimes, and thereby avoid any interruption or cessation of supply, and that has proven a reasonable basis.

With hindsight I wouldn't do it any differently. I hope I can say as much a year from today with respect to fiscal year 1968. On the fiscal year 1968 budget and the fiscal year 1967 supplemental that lies in front of you, I should point out that when we move away from this kind of assumption, June 30, 1967, or its end budget year counterpart, which would now be June 30, 1968, we move into an extremely difficult area of prediction. To show the magnitude of the potential error, there have been flown against North Vietnamese targets from February 1965 to January 1 of this year on the order of 100,000 attack sorties.

#### BUDGETARY PROBLEM

Now I am budgeting in this supplemental to buy airplanes and munitions for another [deleted] sorties, just to show you the magnitude of the problem. We have lost over North Vietnam to hostile fire during that period 322 aircraft, I believe, from February 1965 to January 1 of this year. We are budgeting a loss of an additional [deleted] through December of 1969, for 36 months ahead. The money for 36 months worth of air losses [deleted] additional aircraft losses over North Vietnam for [deleted] additional sorties, is in this supplemental in large part and in the 1968 budget. So that is the alternative to a June 30, 1967, or its counterpart, June 1968 assumption.

I hope a year from now we will be proved prudent in having changed the assumption. I believe we will. But a year ago, even as I say with hindsight, I think we chose by far the most prudent course.

#### RESULTS OF BOMBING PROGRAM IN NORTH

Senator MILLER. If I have misunderstood you I apologize, but did I understand you to say in your earlier testimony that the results of the bombing program in the north have not been sufficient to bring the flow of supplies down below the level needed to support the hostile forces in the south?

Senator McNAMARA. That is correct [deleted.]

## FLOW OF SUPPLIES FROM NORTH TO SOUTH

Senator MILLER. Mr. Secretary or General Wheeler, what more can we do to insure that the flow of supplies from the north to the south will in fact be reduced below the level needed to support the enemy forces? What more can we do?

Secretary McNAMARA. [Deleted.]

Senator MILLER. [Deleted.]

[Colloquy deleted.]

Senator MILLER. Would it be your suggestion that within the next 12 months, if we continue the same type of program, perhaps accentuated by additional missions, that say within a year we might get the flow of supplies down below that needed to support the troops in the South?

General WHEELER. There is a possibility of it. As a matter of fact, I think that one of the reasons they have no more North Vietnamese in the south today than they have is that their supply levels won't permit them to support them.

Senator MILLER. Thank you.

Chairman RUSSELL. Senator Jackson.

## RATE OF INFILTRATION FROM NORTH

Senator JACKSON. Mr. Secretary, what is the rate of infiltration from the north on a monthly basis at the present time?

Secretary McNAMARA. I can't really answer the question, Senator Jackson. The figures lag about 90 days. The best figures I can give you are those for the first 9 months of 1966, therefore, up to [deleted] days ago, and the figures for that period of 9 months are divided into two categories. The first, now known as *accepted*, includes what we formerly called *probable*. About 48,000 fall in that category, roughly 5,300 a month. In addition, there are 26,000 for essentially that 9-month period, although the 26,000 includes a few that came in after September 1966 that are considered as *possible*. Some of those may move into the *accepted* category with the passage of time.

My own personal guess, and it is nothing but a guess, and it won't be more than that for several more months until we get more data, is that the infiltration ran around 5,300 per month for 9 months.

Senator JACKSON. I have seen so many different figures. There is one that Senator Symington and I were given at Admiral Sharp's headquarters—7,500 to 9,000. Now maybe this is a working figure, in other words, a planning figure, but I would like to know what the overall estimate is of the infiltration rate.

Now, of course, you had 13,000 one month, when they went over the DMZ, and I assume that was in connection with the operation back in—was it July or August?

Secretary McNAMARA. Yes, and, of course, many of those have gone back again. So, they should not be included in the totals representing those that remain there, but in any event, let me simply say this. I don't think there is any substantial evidence that shows 9,000 a month for 9 months.

## BREAKDOWN ON NORTH VIETNAMESE ARMY PERSONNEL KILLED NOT AVAILABLE

Senator JACKSON. Do you have a breakdown on the number of North Vietnamese Regular Army personnel killed?

Secretary McNAMARA. No.

Senator JACKSON. The figure given us here is 55,000.

Secretary McNAMARA. No, sir, I don't.

Senator JACKSON. They are listed as VC.

Secretary McNAMARA. Well, the word "VC" earlier was defined as covering NLF and North Vietnamese, so that we don't have any breakdown of the 55,000. This is—as best we can get it—a body count by U.S. observers, but it is impossible to distinguish between North Vietnamese and NLF on the battlefield.

#### ESTIMATED NUMBER INFILTRATING FROM NORTH

Senator JACKSON. But in any event, they have stepped up their input into the country from the North from a year ago.

Secretary McNAMARA. Well, the number in calendar year 1966 is certainly much higher than calendar year 1965.

Senator JACKSON. We were talking about something less than 4,500.

Secretary McNAMARA. I said a year ago that we had been told by MACV in November a year ago they expected about 4,500 a month. I think perhaps they had around 5,300 a month in the first 9 months. My guess, and it is only a guess, based on very fragmentary information, is that it has fallen off in the last 3 months, and I would be surprised, frankly, if it was much over 4,500 per month for the year.

#### REASON FOR SENDING REGULAR ARMY PERSONNEL

Senator JACKSON. Why do they continue to send Regular Army personnel from the North instead of guerrillas?

General WHEELER. May I answer that?

Secretary McNAMARA. Yes, please do.

General WHEELER. In the first place, apparently, the VC are having trouble recruiting in the South, Senator. They are getting to be a little bit reluctant, and they are not responding to the NLF draft calls the way they did.

For example, I was told earlier this month that the [deleted] regiment, which was pretty badly cut up [deleted] is going to receive [deleted] North Vietnamese replacements to fill up a regiment of about 2,000 men.

Senator JACKSON. That is the main force VC.

General WHEELER. It is the main force VC unit. [Deleted.]

Senator JACKSON. [Deleted.]

General WHEELER. [Deleted.]

[Colloquy deleted.]

#### PHILOSOPHY OF SENDING REGULAR ARMY UNITS INTO SOUTH

Senator JACKSON. I ask this question because Mr. Lin Piao, back on about September 3, 1965, I believe, in one of his paragraphs of that document took after Giap and the regime in the north for playing into American hands by fighting on American terms in sending regular army forces into the south. I just don't understand their philosophy of sending regular units into the south when this is to our advantage.

Why don't they train guerrillas and send them down? It would be to their advantage to do so. I know they say they can't train them.

General WHEELER. Senator, I think what you say is something not unknown in military organizations; namely, a difference of opinion. [Deleted.]

I think you can make a case that in midsummer of 1965, when they started moving the 325th Division in through Laos and Cambodia into the highlands, they were getting ready to sweep the table by military action.

Senator JACKSON. They thought they were in phase 3.

General WHEELER. That is correct [deleted].

Senator JACKSON. I still don't get the logic of it. Of course, when I was out there—

General WHEELER. [Deleted.]

Senator JACKSON. [Deleted.]

Secretary McNAMARA. [Deleted.]

Senator JACKSON. I will just conclude by saying Robert Thompson yesterday in the Washington Post said they were reverting to phase 2. That is all.

Chairman RUSSELL. Senator Cannon.

#### CAPTURED AMMUNITION AND WEAPONS

Senator CANNON. Thank you, Mr. Chairman.

Mr. Secretary, on page 14 of your statement you told about some of the things that have been captured in this past year, particularly with reference to the amount of ammunition. First, I would like to ask what kind of a breakdown you found. Was it mainly weapons and ammunition that had been taken from our troops or was it mainly weapons and ammunition from the north?

Secretary McNAMARA. The bulk of it is ammunition from the north, weapons as well.

Senator CANNON. Getting back to Senator Miller's question, it is inconceivable to me that in a year's time you could capture supplies of this magnitude, and still have the operations that were conducted. Yet you say that the actions we have taken so far in the North have not appreciably diminished their ability to furnish this type of supply. Can you think of anything else that we could do, other than the items that have been mentioned here, that would make it more difficult or make it impossible for them to continue this type of a supply?

Secretary McNAMARA. Well, I think that there are things we could do that might make it more difficult, but I don't believe that the difficulty would be raised to such a point that it would significantly reduce the flow of supplies. [Deleted.]

Senator CANNON. Why don't we do that?

Secretary McNAMARA. [Deleted.]

#### BOMBING IN NORTH AN ADDED PENALTY

Senator CANNON. You say we haven't materially reduced the flow of supplies thus far. Why do we keep sending the tremendous sorties up there, risking our men, our equipment and material, losing a lot of American lives and expending a lot of effort, if we are not significantly reducing the flow?

Secretary McNAMARA. Well, the number of lives we are losing in the North is very, very small indeed compared to the number of

lives we are losing in the South, and the main battle is being carried on in the South. This has been our theory right from the start.

When we began the bombing we said, and we have said many, many times since then, that we didn't believe the bombing was a substitute for the operations in the South. We do believe it's an added penalty to the North, and when they see they can't win in the South, that added penalty should be one of the factors inducing them to cease their operations or negotiate a termination of the conflict, and that remains the theory today.

Senator CANNON. But it is simply a penalty and not a restriction?

Secretary McNAMARA. I believe it is a penalty and not a restriction in the sense that I don't believe that the bombing up to the present has significantly reduced, nor any bombing that I could contemplate in the future would significantly reduce, the actual flow of men and materiel to the South.

Senator CANNON. Do the military advisers agree with you on that question?

Secretary McNAMARA. I think General Wheeler should answer that question.

#### BOMBING IN NORTH HAS REDUCED FLOW

General WHEELER. As I have said, I believe that our bombing in the North has reduced the flow. I do not discount the effect to the extent that some other people do.

Now, when we start talking about whether it will reduce it below a certain level and a fairly small level, this is another thing, and I can't give you a judgment on that except, looking at the tempo of combat operations and the manner in which the enemy uses its troops, I have a distinct impression—in fact, it amounts to a conviction—that our bombing operations have reduced the flow to an extent which limits the number of people that they can deploy into South Vietnam.

A question was asked this morning as to why they don't put more than 48,000 or 45,000 North Vietnamese into South Vietnam. I think they probably have just about as many people there, Vietcong and North Vietnamese, as they can support logistically at the present time. I could be wrong on this, but this is my judgment.

Senator CANNON. You, Mr. Secretary, have emphasized the POL quite a bit. There have been many references to the POL supplies. Is this an essential factor in the support of these troops in South Vietnam? There isn't too much movement that involves POL down there, is there?

#### EFFECT OF BOMBING POL SUPPLIES

Secretary McNAMARA. There is considerable movement within North Vietnam to the borders involving POL, and I mentioned this because last year in my appearance before this committee, one of the major subjects was the north's petroleum supplies and why we didn't bomb them. I said then what I have said today—that I didn't believe, and I don't believe now, that bombing of the POL supplies will so reduce the availability of petroleum as to reduce significantly the flow of men and materiel to the south.

There is no question but what petroleum in the north is an essential material for the movement, under present circumstances, of men and equipment to their borders. But neither is there any doubt that

with, in effect, an unrestricted bombing campaign against petroleum, we weren't able to dry up the supply. I mention this and emphasized it again this morning only because last year we spent a high percentage of the time before this committee discussing this exact point, and now I think we have proven the testimony of last year to be correct.

And I think the same factors would apply to dry cargo movement as applied to POL movement.

Senator CANNON. I may say, Mr. Secretary, that I wouldn't agree with you in your conclusion that you have proven that to be correct, because you have only engaged in a very limited activity insofar as the POL is concerned in the north at the present time, and this is one of the main differences between the military and the civilian people with whom I have talked, that the military have had their hands tied.

#### PRACTICALLY UNRESTRICTED BOMBING OF POL

Secretary McNAMARA. No, sir; that is not correct on the POL system, Senator Cannon. For all practical purposes, it has been unrestricted bombing of POL.

[Deleted.] The bombing of the POL system was carried out with as much skill, effort, and attention as we could devote to it, starting on June 29, and we haven't been able to dry up those POL supplies.

Chairman RUSSELL. You have about 1 minute, Senator Cannon.

#### OPERATION OF B-52'S

Senator CANNON. Mr. Secretary, are the B-52's now operating out of other places than Guam at the present time?

Secretary McNAMARA. No. Occasionally they go into [deleted] for weather reasons, but generally speaking, they are limited to Guam.

[Deleted.]

Senator CANNON. The operation out of [deleted] is simply on a weather basis.

Secretary McNAMARA. That is correct.

Senator CANNON. Thank you, Mr. Chairman.

#### CANNOT DRY UP POL BY BOMBING

Chairman RUSSELL. If I may be indulged, I have just one statement, Mr. Secretary. I don't think anybody thought last year that one bombing was going to dry up all of the POL. We thought that knocking out the POL and stopping the importation of it would be a very grave blow to their methods.

Secretary McNAMARA. Mr. Chairman, I think that we have proven at least to my satisfaction and I think the satisfaction of others that we cannot dry up the POL by bombing.

Chairman RUSSELL. You can't keep them out of a supply if they put 55-gallon barrels on the floor of each house. You can't bomb it out without killing all the civilians. But if you cut off the flow coming in, and I assume that 90 percent of it is still coming in by sea through Haiphong.

Secretary McNAMARA. The question is how do we cut off the flow.

Chairman RUSSELL. Yes, sir; that is it.

Secretary McNAMARA. We have stopped them from coming alongside. They are not docking. They are not taking it off that way.

Chairman RUSSELL. I would try it step by step. I would [deleted] block the harbor first and see what happened then. Senator Pearson.

Senator PEARSON. Mr. Secretary, you indicated a confirmed VC force level of about 275,000 which shows our ability to interdict and their inability to support. If all things remain even, would you then anticipate an increase of the Communist air strength in the north, Migs from China or the Soviet Union?

Secretary McNAMARA. I am not certain I see the connection between the 275,000 and the air strength in the north.

Senator PEARSON. The connection I meant to convey was if that is their level of forces on the ground—

Secretary McNAMARA. In the south.

Senator PEARSON. Yes, in the south, and they wish to meet our further escalation or to meet what we have there, would you anticipate they would increase their air force or their air arm, either from China or the Soviet Union?

Secretary McNAMARA. It is dangerous to predict just exactly what they would do when they reach what they consider to be a losing position. [Deleted.] If they did, it wouldn't accomplish much, because we have such a superiority in air power that there is no question but what we can shoot them down faster than they can be added, and I think they know that. This is one reason why they don't engage us.

#### SUPPORT OF U.S. FORCES

Senator PEARSON. You also indicated this morning we now have 27,000 short tons coming in daily.

Secretary McNAMARA. That is correct.

Senator PEARSON. About 8 days of elapsed time coming in.

Secretary McNAMARA. Right.

Senator PEARSON. Is that sufficient to support what we have?

Secretary McNAMARA. No problem whatsoever on military tonnage, and I don't believe there would be any on commercial tonnage were they to impose some discipline on the port operations. When I say that I mean there is a very serious inflationary problem in the market place in Vietnam today. The problem of the retailers and the wholesalers and the banks is to insure a flow of goods through that inflationary environment, and the flow gets plugged up at times, and it plugs the ports and the warehouses. The result is that the commercial ships aren't able to unload because the warehouses are plugged. They are using barges—I have forgotten how many—600 or 700 barges are used in a sense as floating commercial warehouses. But this is not a physical problem of the port as much as it is a fiscal and market place problem.

Senator PEARSON. And the distribution from the port.

Secretary McNAMARA. That is correct. That is what I mean by disciplining the port operations.

[Deleted.]

But with the exception of that, I don't believe there are any serious port restrictions today, and I know there aren't any restrictions affecting us militarily.

Senator PEARSON. Let me tell you the impression you left with me today. I understood that we bomb the north first to give the people of South Vietnam a sense that the source from which all their evil

comes has to suffer too; secondly, to force them to the negotiation table; and third, to interdict the supplies from north to south. And then I hear the very good description of the problems of bombing the rail lines in the north, [deleted] and the statements about the great difficulties of airpower bombardment.

I am left with the impression that the air bombardment hasn't been effective in interdicting supplies and men to the south. This is Senator Miller's question. This is why I have supported the administration's position on bombing the north. Can you help me now?

As General Wheeler indicated, he has real conviction about the success of bombing in the north.

#### CAMPAIGN AGAINST NORTH SUCCESSFUL

Secretary McNAMARA. I believe that the campaign against the north has been successful, and I say that for two reasons. First, because the objectives were just exactly what you say has been accomplished, to increase the morale of the south [deleted].

Senator PEARSON. Has that occurred?

Secretary McNAMARA. Definitely. Everybody will agree to that. Second, to increase the cost to the north of infiltration to the south.

Senator PEARSON. Has that—

Secretary McNAMARA. Definitely. Roughly 200,000 to 300,000 people in the north have been diverted from other activities to, in effect, repairing the damage to the lines of communication caused by our bombing. So the cost to infiltrate these limited quantities of men and equipment to the south has increased dramatically.

Third, to raise the political price paid by the north to continue the campaign in the south, and as you pointed out, that has definitely been done. So I would say those were the stated objectives we had in mind and we have accomplished them.

The second reason I say it's a success is that there isn't anything they would like to get rid of more at the moment, that I can tell, than the bombing [deleted]. So for both of those reasons I think it has been a success. But I never believed in the past, and I don't believe today, that air bombardment on any acceptable scale will stop or significantly reduce the movement of such small numbers of men and such small quantities of material as are being sent from the north to the south.

Senator PEARSON. Thank you, Mr. Chairman.

Chairman RUSSELL. Senator McIntyre.

#### ADVANTAGES OF SKY RAIDER

Senator McINTYRE. Thank you, Mr. Chairman.

General Wheeler, can you tell me so I can hear it myself, I have heard a lot of criticism of the A-1E airplane which I assume is presently being used in Vietnam and is obsolete—"not nearly as good a weapon as we could have to do the job." How do we justify our decision to use this Sky Raider?

General WHEELER. As a matter of fact, I asked some of the pilots using these aircraft out there, both the Air Force pilots and some of the Navy pilots, whether this was just on the basis of "every cowboy loves his horse," but they said they like it. They pointed to the advantages of this aircraft. It is very sturdy. It has a long loiter time;

in other words, they can get up over the target and stay there for a long time. Also, it carries a tremendous load of ordnance.

#### SPECIAL PURPOSE AIRPLANES

It has been flown in North Vietnam, but primarily today it is being used in South Vietnam, where the ground defensive firing is less. As you know, we have gone, particularly with jets, far up in the north where the A-1 can't reach. It is too slow, but in South Vietnam and [deleted] North Vietnam closest to the DMZ, it is still being used.

Secretary McNAMARA. I might add that the criticism is not that they are obsolete and we shouldn't be using them. The criticism, if any, is that instead of buying jet aircraft, we ought to be buying more propeller driven aircraft of this kind.

The reason we aren't is that they are very special purpose airplanes, because as General Wheeler pointed out, they are not as satisfactory for operations in the north as jet aircraft, and were we to buy substantial numbers of these in lieu of jet aircraft, we would have a plane that is useful only in a special environment such as the one we are operating in the south. But those who use them in the south, in many, many cases, both the ground and air commanders, prefer them to jets, for the reasons General Wheeler emphasized.

Senator McINTYRE. Is this plane capable of doing the job, or should we be in the process of developing a plane that can do the job for close-in support or whatever you use it for?

#### PLANES UNDER DEVELOPMENT

Secretary McNAMARA. It is perfectly capable of doing the job in the south, and the planes under development, the A-7, for example, and other aircraft, will be, we believe, appropriate substitutes for the A-1 in the future, and will offer much greater versatility.

Senator McINTYRE. You don't consider it obsolete then?

Secretary McNAMARA. On the contrary, it is very desirable, and I would think almost an optimum aircraft for use in the south.

#### REASONS FOR NOT BOMBING MAJOR MILITARY AIRFIELDS IN NORTH VIETNAM

Senator McINTYRE. Mr. Secretary, for what good reason have we so far abstained from bombing major military airfields in North Vietnam? I am thinking particularly of Kep, if that is the way you pronounce it, in Hanoi and in Bien.

Secretary McNAMARA. [Deleted.]

#### TRADING IN STRATEGIC COMMODITIES BETWEEN NORTH VIETNAM AND U.S. ALLIES

Senator McINTYRE. Mr. Secretary, are we aware of any trading in strategic commodities between North Vietnam and our principal allies such as France, England, Germany, or Japan?

Secretary McNAMARA. Basically no, and I do not mean there is not any trade. [Deleted.]

#### DECREASE IN FREE WORLD SHIPPING INTO NORTH VIETNAM PORTS

I believe that the free world shipping going into North Vietnam ports has dropped off dramatically between 1965 and 1966.

I have the figures here, and I think that the number of free world ships in the last 6 months is very, very small indeed, and comes from but three countries: Cyprus, the United Kingdom, and Malta. All of them are of foreign registry, I think Hong Kong registry, and in total, I can check the figures, they are in my book. I think it was on the order of 20 ships during the last 6 months of 1966. So the amount of trade between the free world and North Vietnam is very, very small, indeed.

Senator McINTYRE. I have another question along the same line, are we aware of any trading in strategic commodities between our principal allies and either the Soviet Union or mainland China such that the commodities ultimately find their way to North Vietnam?

Secretary McNAMARA. I know of none, which is not to say there isn't any, but I know of none.

Senator McINTYRE. You are not aware of them?

Secretary McNAMARA. I am not aware of them.

#### EXTRAORDINARY RISKS

Senator McINTYRE. Mr. Secretary, we speak of extraordinary risks; and I remember so well in the spring of 1965 the hearings that this committee and the Foreign Relations Committee had. Would you define "extraordinary risks"? Would you just tell me briefly what we have to take into account in making these decisions?

Secretary McNAMARA. In relation to what?

Senator McINTYRE. In relation to our efforts in Vietnam, the extraordinary risks, I know, include the involvement of other powers; but I would just like to have you tell me what the risks are that we are so concerned with in making decisions to escalate or deescalate or whatever it happens to be.

#### RISK OF INTRODUCING ADDITIONAL POLITICAL INSTABILITY

Secretary McNAMARA. Well, one type of risk, of course, is the risk of introducing political instability or additional political instability into the Government of South Vietnam. This is the greatest risk of all under current circumstances. I think one of the extraordinary achievements of the last 12 months has been the development of greater stability in the political institutions of the South. This is an accomplishment that the South Vietnamese deserve primary credit for, but we have in every possible way sought to support their actions to that end [deleted].

We try to minimize them. Our objective in southeast Asia and particularly in South Vietnam is a very, very minimum one. We are seeking to obtain it with a minimum of U.S. casualties, which means we ought to avoid these risks.

Chairman RUSSELL. I think your time is up, Senator.

Senator Inouye?

#### BOMBING OF HANOI

Senator INOUE. Thank you, Mr. Chairman.

Mr. Secretary, several Senators have questioned you on the wisdom of bombing North Vietnam.

I was quite surprised with your statement that the bombing has not reduced and will not reduce the flow of men and materiel to an accept-

able level. Furthermore, you have cited three objectives of the bombing: first, to raise the morale of the South Vietnamese; second, to deny the North Vietnamese the use of men who ordinarily could go down south for other purposes: and, third, lowering of morale in the north.

Now is it necessary militarily and for the purpose of carrying out these objectives, to bomb Hanoi?

Secretary McNAMARA. If by bombing Hanoi you mean to bomb the populated areas of Hanoi, I do not believe so.

[Deleted.]

Senator INOUE. I ask this question because obviously the most controversial aspect of our bombing is the bombing of Hanoi and the environs there. I just want to know if it is necessary to continue this, to achieve what we are seeking.

#### POPULATED AREAS NOT TARGETED

Secretary McNAMARA. When you say to continue it, we have never targeted the populated areas of Hanoi as such. We have authorized strikes against surface-to-air missile sites that were considered to be active within the Hanoi metropolitan area, and which were endangering our aircrews. We have authorized on a limited number of occasions strikes against particular military targets, such as the petroleum storage depot near Hanoi.

I was trying to think of other targets in the area. I do not recall any.

General Wheeler. We hit that bridge that goes up toward Viet Tri. It is on the north side of the town.

Secretary McNAMARA. Outside of the metropolitan area. But basically, I do not think it is necessary to attack targets within the metropolitan area, and certainly it is not necessary to attack populated areas in order to achieve these objectives.

Senator INOUE. And by so doing, we are increasing the possibility of accidental casualties there, aren't we?

Secretary McNAMARA. Accidental civilian casualties; yes. One of the factors we take account of in assigning targets, authorizing strikes, is the possibility of accidental civilian deaths. We seek to minimize those, and have removed targets from the list because of excessive risk to civilians.

Senator INOUE. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

#### TERMINOLOGY IN DESCRIBING CASUALTIES

Senator INOUE. My next question is the last one, Mr. Chairman. It is just a matter of terminology.

When we see in the newspapers results of casualties as being light, moderate, and heavy, what is meant by that?

Secretary McNAMARA. These are terms used to meet two conflicting objectives: One, to report to the press the casualties from a particular engagement, and, second, to deny to the enemy the knowledge of exactly how heavy our casualties were in a particular engagement. Therefore, these particular terms have been used.

The number of casualties, at least the terms "light," "medium," or "heavy," depends on the number of men involved. If in the case of

a squad of 8 or 10 men the casualties are [deleted] men, we would call that heavy. If a company is involved, and [deleted] men are casualties, we would call it light. We have standards, as a matter of fact, by size of unit, to justify the use of "light," "moderate," or "heavy." It is simply a device to avoid telling the enemy at the time of the engagement the exact number of men wounded or killed.

Senator INOUE. Thank you very much. I yield the balance of my time, Mr. Chairman.

Chairman RUSSELL. Senator Dominick?

#### IMPORTANCE OF PETROLEUM AND OIL SUPPLIES

Senator DOMINICK. Mr. Secretary, please comment on this if you will. It is my understanding that the troops of the North Vietnamese and the Vietcong who are operating in South Vietnam are not mechanized. They are largely foot, bullock cart, and things of that type; is that accurate?

Secretary McNAMARA. That is correct.

Senator DOMINICK. Could you tell me then what is the importance of the petroleum and oil supplies we are talking about to the fight of South Vietnam?

Secretary McNAMARA. Yes; the petroleum and oil supplies are used for military purposes, for example, to fuel the jets, but more importantly, to fuel the trucks that are used to move supplies from the north of Vietnam over the several hundred miles of highways that lie between Hanoi in the north and the borders of Laos and Vietnam in the south. There is a very, very substantial truck movement between roughly the 21st parallel on which Hanoi lies, to the 17th parallel, the border between North and South Vietnam, and then south of there through Laos to the point of entry into South Vietnam. The movement is importantly by truck, both within North Vietnam and over the roads to Laos.

#### INSIGNIFICANT EFFECT OF STRAFING PETROLEUM STORAGE DEPOTS

Senator DOMINICK. You feel that to be enabled to cut this off, would have a significant effect on the continued fight in South Vietnam?

Secretary McNAMARA. No; I do not.

This is a second reason why I felt last year and feel this year that the strikes against the petroleum storage depots will not have any significant effect on the flow of men and materiel to the south: (a) because they are not going to be effective in stopping the flow of petroleum, and (b) if they were, the enemy would move it by bicycles, and backpacks.

#### EFFECT OF CUTTING OFF FLOW OF MEN AND MATERIEL

Senator DOMINICK. If we could cut off the weaponry, the armament and petroleum reserves from North Vietnam, moving into South Vietnam, would the South Vietnamese continue to have a war on their hands?

Secretary McNAMARA. Let me see if I can phrase the question a little differently without reference to petroleum.

If we could cut off the flow of men and materiel from the North to the South, it is my belief that the South Vietnamese over a period of time, during a portion of which they would need our help, could stop the aggression against them.

#### 45,000 MEN IN NORTH VIETNAMESE ARMY UNITS IN SOUTH

Senator DOMINICK. Did you say there are only 45,000 North Vietnamese in South Vietnam, with the Vietcong forces?

Secretary McNAMARA. No; I did not quite say that. There are 45,000 men in what we would call North Vietnamese Army units. Then there are additional North Vietnamese in the National Liberation Front units.

Senator DOMINICK. Of the equipment and supplies that are coming into North Vietnam, how much is manufactured right in North Vietnam and how much is brought in by imports?

Secretary McNAMARA. We do not know, but I would guess—and I would like General Wheeler to check my guess—I would guess 80 or 90 percent is imported into North Vietnam.

#### MILITARY ITEMS MANUFACTURED IN NORTH VIETNAM

General WHEELER. The only military items we have identified that they are really making in North Vietnam have been hand grenades, perhaps some ammunition, perhaps some varieties of explosives to be used in homemade bombs, and things of that kind.

The great bulk of their materiel, all their small arms, their automatic weapons, and what not, come from outside of North Vietnam. They come either from China, from the Soviet Union, or from the East European satellites.

Senator DOMINICK. Is my understanding correct that the vast majority of this comes from the Soviets and the East European satellites?

#### MATERIEL SUPPLIED BY SOVIET UNION AND RED CHINA

Secretary McNAMARA. There are two categories of materiel. One I will call sophisticated, by which I mean jet aircraft, surface-to-air missiles, and anti-aircraft guns—weapons of that kind—almost all of that comes, we believe, from the Soviet Union and her satellites.

Then the second category is what I will call unsophisticated weapons, for example, small arms and ammunition, and I think that most of that comes from Red China.

#### CAPTURED EQUIPMENT

Senator DOMINICK. What percent of the captured equipment that you referred to originates from our own forces?

Secretary McNAMARA. In the past it has been a very substantial percentage. At present I think it is a very small percentage. I looked at the weapons exchange the other day. I have the figures here if you are interested.

In 1966 the NLF and North Vietnamese weapons captured by friendly forces—U.S. and friendly forces—exceeded substantially the South Vietnamese, U.S., and friendly force weapons captured by the NLF and North Vietnamese.

## WAR COULD BE CONTINUED BY FORCES NOW IN SOUTH VIETNAM

Senator DOMINICK. The reason I am asking these questions is to see if you could give us any indication as to whether this war would in fact be carried on very substantially by the forces already within South Vietnam if North Vietnam were knocked out.

Secretary McNAMARA. The answer is "yes."

Senator DOMINICK. The answer is, "yes, it would be continued"?

Secretary McNAMARA. For a time, if materiel were the only factor to consider.

I would imagine that if North Vietnam withdrew its support, either because it was physically forced to withdraw, or because it made a political decision to withdraw, the effect on morale would be so great as to cause the forces of the NLF and North Vietnamese in the south to collapse very quickly. But it would not collapse because of lack of materiel in the short run. It would collapse because of lack of opportunity for victory in the longer run.

Senator DOMINICK. Since we are talking about supplemental appropriations and money, I think it is pertinent to try to get some estimate as to how long we should forecast. Do you have any idea of whether there is a move which might create complication in Korea, thereby causing an even more seething caldron in the Asian theater?

Secretary McNAMARA. No, sir; I do not.

## PROBLEMS CONSIDERED IN PREPARATION OF BUDGET

Senator DOMINICK. And the potential problems or possible problems, are these taken into account when you prepare this type of budget or is this budget only for the South Vietnamese situation?

Secretary McNAMARA. The potential problems in Korea?

Senator DOMINICK. And the [deleted].

Secretary McNAMARA. And the [deleted]. They are taken into account when we prepare this kind of budget. I have here, for example, our worldwide stocks of all major categories of air ordnance, all major categories of ground ordnance, all major types of aircraft, and we examine the inventory position of each one of these important items of equipment or supply in relation to a whole series of military contingencies. We have provided, we believe, for inventories adequate to meet these contingencies, and to finance the procurement of the stock with the fiscal year 1967 supplemental and fiscal year 1968 budget.

Senator DOMINICK. Should I anticipate from the briefings you have given us today that you believe it is highly probable that we will still be engaged in a fight by 1970?

Secretary McNAMARA. No; I do not believe that anything I have said today bears on it one way or the other. [Deleted.] I do not want to make a prediction.

## SUBSTANTIAL INCREASE IN NORTH VIETNAM AIR ACTIVITY NOT ANTICIPATED

Senator DOMINICK. In last night's Star it referred to a public offer by the Soviets, saying that they had already resupplied Hanoi with more aircraft than had already been lost and that they had on order and given full leeway to the North Vietnamese to order as much more

as they wanted. This bears on Senator Pearson's question to you of whether you anticipate any increase in their air activity.

Secretary McNAMARA. I do not anticipate any substantial increase in their activity. This does not mean that I do not believe that they will occasionally attack our planes. I think they will. They have at various times in the past. They go through a cycle of activity. They attack us. We respond with action that causes them to lose several times as many aircraft as we lose. They retire and go through more training. They change their aircraft or build up their courage again. They come back and attack us again and we go through exactly that cycle all over again. We have done that I think three or four times and I am sure we will in the future. Each time they become a little more proficient, but the slight additional proficiency does not bring them anywhere close to our effectiveness, so I do not anticipate any significant air war there, in terms that we would consider significant in the future.

Senator DOMINICK. Do we have the Soviet ships that are coming into North Vietnam under surveillance?

Secretary McNAMARA. Yes.

Senator DOMINICK. [Deleted.]

Secretary McNAMARA. [Deleted.]

Chairman RUSSELL. Senator Byrd?

#### AUTHORITY FOR BOMBING MILITARY TARGETS

Senator BYRD of Virginia. Does General Westmoreland have the authority to determine what military targets in North Vietnam need to be bombed, and then to proceed forthwith with the bombing?

Secretary McNAMARA. No; he does not.

The air operations in the north are under the command of Admiral Sharp, Commander in Chief, Pacific, and General Westmoreland turns his recommendations in to Admiral Sharp. Admiral Sharp in turn turns his in to the Joint Chiefs.

Senator BYRD of Virginia. In other words, permission must come from Washington?

Secretary McNAMARA. Essentially, yes; but there are some broad grants of authority that are operative until revoked.

Senator BYRD of Virginia. But anything beyond this must come from—

Secretary McNAMARA. That is correct.

#### AUTHORITY FOR NAVAL BOMBARDMENT OF NORTH VIETNAM

Senator BYRD of Virginia. Must permission for naval bombardment of North Vietnam likewise come from Washington?

Secretary McNAMARA. Basically, yes. [Deleted.]

Senator BYRD of Virginia. [Deleted.]

Secretary McNAMARA. [Deleted.]

#### NAVY VESSELS CAN DEFEND AGAINST SHORE FIRE

Senator BYRD of Virginia. Have any shore targets been bombarded?

Secretary McNAMARA. Yes. [Deleted.] A vessel is always at liberty to defend itself against shore fire. The result is that shore batteries have been bombarded by naval ships taken under fire.

Senator BYRD of Virginia. [Deleted.]

Secretary McNAMARA. [Deleted.]

General WHEELER. [Deleted.]

[Colloquy deleted.]

#### PROSPECTS OF MILITARY SUPPORT FROM OTHER COUNTRIES

Senator BYRD of Virginia. What are the prospects of additional troops from Korea, the Philippines, New Zealand, or Australia?

Secretary McNAMARA. Thailand has stated that they will send a reinforced battalion of ground troops to Vietnam [deleted]. The Australians have about 4,600 troops in South Vietnam today. They have stated they will send additional troops. I would guess around 1,700, plus some additional aircraft, and one guided missile destroyer, General Wheeler reminds me. [Deleted.] We also hope to get some other force contributions.

Senator BYRD of Virginia. Thank you, Mr. Chairman.

#### KOREAN TROOPS

Chairman RUSSELL. We already have about 40,000 Koreans committed there, have we not?

Secretary McNAMARA. About 45,000 or 46,000.

Chairman RUSSELL. Have they been very effective?

Secretary McNAMARA. First-class troops [deleted].

[Deleted.]

Chairman RUSSELL. Do they adapt themselves to this type of warfare?

Secretary McNAMARA. Very well, indeed, and our commanders would like more.

#### ASSISTANCE FROM PHILIPPINES

Chairman RUSSELL. I noticed in the press the other day where the first Filipino was killed. I assume from the way the article read that he was on guard duty, guarding some equipment. So people sent from the Philippines are not strictly speaking combat troops?

Secretary McNAMARA. That is right, they are military troops, but they are construction battalions.

#### AUSTRALIAN SQUADRON

Chairman RUSSELL. Have the Australians actually committed that small squadron of Canberra planes they promised us?

Secretary McNAMARA. No, but I think they have a very small number of transports there now.

Chairman RUSSELL. They promised us eight.

Secretary McNAMARA. They have promised us eight, and these should arrive in a couple of months.

Chairman RUSSELL. Have they ever lost one? Have they been on raids?

General WHEELER. I do not think they have lost any aircraft yet. They have had some transports there, but to date I don't think they have lost any.

Secretary McNAMARA. Their air contribution has been small and will be small, Mr. Chairman.

## FUNDS IN 1967 ACT FOR SUPPORT OF OTHER FORCES IN VIETNAM

Chairman RUSSELL. Mr. Secretary, bouncing around from place to place, in the Department of Defense Appropriations Act of 1967, I believe we included about \$600 million for the support of other than U.S. Forces in Vietnam.

Secretary McNAMARA. I think it may have been more than that, Mr. Chairman. I believe it was some \$687 million for Vietnamese Forces alone.

I think it was around \$54 million for support of Korean forces.

## ADDITIONAL FUNDS REQUESTED IN SUPPLEMENTAL

Chairman RUSSELL. Does this supplemental request include any additional funds for that purpose?

You can furnish that for the record.

Secretary McNAMARA. The reason I did not answer immediately was that we are building up our inventories, and they draw on those. What we actually do is allow them to draw whatever they need, and it is difficult to say which forces this is for.

It is for support of the Vietnamese, Korean, and U.S. forces. I would say the answer is "Yes," some additional funds are in there for that purpose.

## FUNCTIONS TAKEN OVER FROM OTHER AGENCIES

Chairman RUSSELL. I believe it was you who advised us last August that the Department of Defense had taken over a number of functions from other agencies.

Secretary McNAMARA. Yes; that is right.

Chairman RUSSELL. And I think that you furnished a list of about \$135 million or \$137 million. Have you undertaken to finance any more of those projects of a relief or rehabilitative nature?

Secretary McNAMARA. I think it is the same list that we supplied you last year. I will be prepared to supply you an up-to-date list, Mr. Chairman, that can be compared against the earlier one. We have an agreement with the AID administration under which we share, for example, medical supplies costs on a percentage basis, the division being to take account of the fact that they support military-related purposes which we are responsible for. We pay other costs of that type. I will be happy to supply to the committee the complete breakdown.

(The information requested is classified and was furnished separately to the committee.)

## SINKING OF CONSTRUCTION DREDGE IN SAIGON RIVER

Chairman RUSSELL. Early in this month it was reported in the press that the Vietcong had sunk a very large construction dredge in the Saigon River. Did that stop traffic or impose any hazard to traffic?

Secretary McNAMARA. I do not believe so. I do not believe it stopped traffic or posed a hazard to traffic.

Mr. Chairman, we have tugs and other apparatus out there to clear that river when stoppages occur.

As far as I know, there was no traffic disruption.

## FREE WORLD SHIPS GOING INTO NORTH VIETNAM PORTS

Chairman RUSSELL. In the fourth quarter of 1965, there were 44 free world ships that went into North Vietnam. Of these, 35 were British, three were Norwegian, and three were Greek. I would like to have the figures for the year 1966, or the latest ones you have.

Secretary McNAMARA. Yes.

Chairman RUSSELL. As by flag and number?

Secretary McNAMARA. Yes. In 1965 there were a total of 256 free world ships entering Haiphong Harbor. In 1966 there were 74. Since July 1, there were only 20 free world arrivals, U.K., Cyprus, and Malta flags entered the harbor. That is 20 out of the 74 came in during the last 6 months. These were from those three countries only. All were Far East based, and the Red Chinese controlled the ownership of many if not most of these.

Chairman RUSSELL. I didn't know before that Malta had a merchant marine.

Secretary McNAMARA. Neither did I. A moment ago I hesitated to say that it was Malta because I didn't think they had such ships, but they do have a few apparently.

Chairman RUSSELL. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

## AVAILABLE STOCK OF BOMBS

Chairman RUSSELL. Mr. Secretary, I have heard from airmen that there were a number of instances where they would like to have used thousand-pound bombs, and they had to perform the missions with 250-pound bombs. They say 250-pound bombs will not perform satisfactorily. Is that due to a difference of opinion between the pilot and his commanding officer, or is there a shortage of thousand-pound bombs?

Secretary McNAMARA. I can only assume that it is due to a difference between the pilot and his commanding officer, Mr. Chairman, because we have got a tremendous quantity of all kinds of bombs out there now, with the exception of one or two items [deleted]. But as far as bombs are concerned, there is no reason in the world why they shouldn't use the weapon that is best for the particular target.

Chairman RUSSELL. The civilian officials here in Washington have not prescribed the size or the weight of any bomb?

Secretary McNAMARA. Certainly not.

Chairman RUSSELL. Or of a mission?

Secretary McNAMARA. Certainly not.

General WHEELER. May I add to that?

Secretary McNAMARA. Yes, please do.

General WHEELER. This is one of the questions I asked our commanders in the field. I talked to Admiral Sharp and his staff. I also talked to CINCPAC's fleet commander. I talked to General Westmoreland's air commander, General Momyer [deleted]. And also I talked to the general in Guam.

I asked them, (a) how about their total overall stockages of bombs? They said they had ample. I asked them, (b) within the tonnages they had, whether they had ample supplies of individual items, in other words, were they running short on them?

As the Secretary said, the only two things [deleted] are new items in production. General Momyer stated to me categorically that he had never sent an aircraft north, to North Vietnam, without what he considered to be an optimum loading for the target against which it was directed.

#### TYPES OF ORDNANCE REQUIREMENTS

He pointed out to me that the requirements for types of ordnance within South Vietnam are entirely different from those in North Vietnam, Mr. Chairman. For example, you have a requirement for very few thousand-pounders, or the heavier bombs, in South Vietnam because of the type of target. It is different not only as to type ordnance but as to type of mission because he wants more loiter time over the target and so on. I believe Admiral McDonald would tell you that precisely the same policy obtains for the strike aircraft flying.

Chairman RUSSELL. [Deleted.]

General WHEELER. [Deleted.]

[Colloquy deleted.]

#### RESEARCH ON LASER RAY

Chairman RUSSELL. Mr. Secretary, I constantly worry because I fear that we will all get so absorbed with Vietnam we will overlook the necessary preparations for a war of an entirely different character or one on a much greater scale and under different circumstances. I read an article the other day which indicated that a laser ray had been perfected by a group of British scientists that would dissolve granite. Are we carrying on any research—

Senator SYMINGTON. Dissolve what?

Chairman RUSSELL. Granite.

Are we carrying on any research with the laser ray [deleted].

Secretary McNAMARA. [Deleted.] I would rather have Dr. Foster, if I may, respond to your question. He is intimately acquainted with it. [Deleted.]

Chairman RUSSELL. I believe my 10 minutes are always the shortest here, but I am told I have used them.

Senator Young?

#### THEFTS OF SAM MISSILES BY CHINA

Senator YOUNG of North Dakota. Mr. Secretary, there was an interesting article in the Washington Star of January 18 to the effect that China was stealing Russian SAM missiles that were en route to North Vietnam. Do you care to comment on that?

Secretary McNAMARA. They are not worth stealing in my opinion.

Senator YOUNG of North Dakota. The SAM missiles?

#### INEFFECTIVENESS OF SAM

Secretary McNAMARA. I don't mean to be facetious, but I saw the same article. I don't have any evidence that China is stealing them, but [deleted] through whatever it was, let's say January 10, the last report I have, they fired [deleted] of those missiles at us, and they had knocked down about [deleted] airplanes. That is over an 18-month period.

Senator YOUNG of North Dakota. They are causing our planes to fly much lower than they would otherwise.

#### AMMUNITION DELIVERED THROUGH PORT OF HAIPHONG

Secretary McNAMARA. [Deleted.] But in any event, the missiles have been quite unsuccessful in destroying our aircraft.

But, in any event, the missiles have been quite unsuccessful in destroying our aircraft.

Senator YOUNG of North Dakota. General McConnell advised the committee that there were [deleted] antiaircraft positions within a 35-mile radius of Hanoi, the greatest concentration in history. That would require a tremendous amount of ammunition. How much of this ammunition comes through the port of Haiphong?

Secretary McNAMARA. I don't believe very much. [Deleted.]

Senator YOUNG of North Dakota. I would think it would be much more difficult to transport petroleum supplies. It might require a tremendous amount of it, too.

Secretary McNAMARA. If it comes over land by rail, as I presume it does, and as most of it is large military equipment—you referred to surface-to-air missiles, for example—the rail line northeast of Hanoi is quite capable of carrying that tonnage.

#### EXAGGERATION OF NORTH VIETNAMESE CLAIMS

Senator YOUNG of North Dakota. The North Vietnamese claimed the other day that they shot down eight of our planes.

Secretary McNAMARA. On that particular day I don't think they shot down any.

General WHEELER. They habitually exaggerate. For example, the day that the 7th Air Force boys knocked down seven MIG-21s, they claimed that they had shot down two of our aircraft, and General Momyer says that not one of our aircraft even got so much as a hole in it.

I would say that you can figure that their overall claims have been exaggerated by a factor of three, and they don't seem to care whether they knock down a plane any given day when they make these claims. It depends upon the effect of the strike or what propaganda effect they want.

Senator YOUNG of North Dakota. [Deleted.]

Secretary McNAMARA. [Deleted.]

#### OPERATION CEDAR FALLS

Senator YOUNG of North Dakota. I don't know whether my next question should be on the record or not, but in our delta operations now, we are moving out some 10,000 local people, civilians, into new homes. This is a relatively small operation now.

General WHEELER. This is Operation Cedar Falls. It is above the delta, Senator, just north of Saigon, 20 or 30 kilometers.

#### RESETTLEMENT OF CIVILIANS FROM IRON TRIANGLE TO TAY NINH PROVINCE

Senator YOUNG of North Dakota. In fighting in the delta area will you have to use about that system of warfare?

General WHEELER. I don't believe so, Senator. This Iron Triangle, which is the area in which Cedar Falls is being conducted, is a special case. This has been a longtime VC hideout, a safe haven for a period of perhaps 20 years. It is relatively sparsely populated.

It is interlaced with tunnels and caves, supply depots of various kinds. They uncovered a hospital there yesterday, for example, and in sizable quantities, up in the hundreds of thousands, items such as penicillin units and so on. The intent is not by any manner of means to resettle people on a wholesale scale in Vietnam. The object, on the contrary, is to provide security to them in their own villages, hamlets, and in their provinces, so it will be the exception in my judgment rather than the rule.

Senator YOUNG of North Dakota. And do the costs of this resettlement come out of the military budget or the economic assistance?

General WHEELER. It is split. As the Secretary said a while ago, we pick up the tab for most of the forces. AID also does. These people will be moved up into Tay Ninh Province.

#### TAXATION BY VIETCONG

Senator YOUNG of North Dakota. Do the Vietcong tax to a great extent now? I understand this is a major source of their revenues.

#### ROUTE 19 HIGHWAY

Secretary McNAMARA. They still do in the areas where they have what you might call daytime control as well as nighttime control. On the other hand, Westmoreland has succeeded in opening certain roads, mainly Route 19 which is open from Qui Nhon all the way to the Cambodian border, and which used to be a VC stronghold.

Chairman RUSSELL. It is not safe at night?

General WHEELER. Yes, sir; it is safe day or night.

Chairman RUSSELL. That is one the French couldn't keep open.

General WHEELER. That is where the famous 100 Group Mobile was massacred.

Senator YOUNG of North Dakota. Thank you.

Chairman RUSSELL. Senator ELLENDER?

#### VIETCONG MILITARY HARDWARE

Senator ELLENDER. This morning I started to ask you about the supply of military hardware. Did I understand you to say a while ago that only about 10 percent of that military hardware was produced in North Vietnam?

Secretary McNAMARA. Yes, sir. I said I would guess that, Senator Ellender. I don't actually have figures that will allow me to give you a precise percentage, but as General Wheeler indicated, we think almost all significant items are imported.

Senator ELLENDER. Is that small arms ammunition?

Secretary McNAMARA. Yes, it would be powder and small grenades and hand weapons ammunition.

Senator ELLENDER. Now what about mortars and small cannon ammunition? Where does that come from?

Secretary McNAMARA. I believe that has to come from Red China almost entirely. In fact, periodically we check the ordnance, and I noticed the other day that they bore Chinese markings.

Senator ELLENDER. I saw an article the other day where it was stated that most of the military hardware is now coming from Russia.

Secretary McNAMARA. Is now coming from Russia?

Senator ELLENDER. Yes.

Secretary McNAMARA. Yes. I think in terms of value that is true. The high-value items all come from Russia, and the low-value items from China.

Senator ELLENDER. When you say high—

Secretary McNAMARA. Aircraft, surface-to-air missiles, antiaircraft guns, helicopters, of which there are very few, and certain other equipment of that kind.

#### MILITARY ASSISTANCE TO SOUTH VIETNAM BY THAILAND

Senator ELLENDER. Now in respect to the Thai troops, why isn't it that more of those are not used in South Vietnam?

Secretary McNAMARA. I think more should be and [deleted] the Thai Government has approved sending in their first ground battalion.

Senator ELLENDER. How many troops have they altogether, do you know?

Secretary McNAMARA. They have on the order of [deleted.]

Senator ELLENDER. [Deleted.]

Secretary McNAMARA. Yes.

Senator ELLENDER. [Deleted.]

Secretary McNAMARA. The first battalion, which is composed of volunteers and which is moving in, has a strength of around [deleted.]

Senator ELLENDER. [Deleted.]

Secretary McNAMARA. Yes.

Senator ELLENDER. Under what conditions are you going to have them come in?

Secretary McNAMARA. Again let me answer for the record. Each one of these negotiations is so complex that I can't recall from memory. [Deleted].

(The information is classified and was separately provided to the committee.)

#### ASSISTANCE LIMITED BY INSURGENCY THREAT

Senator ELLENDER. Isn't Thailand in a position now to give more assistance? Isn't her economy expanding a good deal because of the war in southeast Asia?

Secretary McNAMARA. No, sir; I don't think that her economy has expanded substantially because of it. She has a serious threat of insurgency in her own northeastern territory. She is trying to expand her forces to combat it effectively.

For example, we are supplying helicopters under military aid for her to use for her own forces. We are training her pilots to operate those, and mechanics to maintain them, and we are training her ground troops in counterinsurgency operations, [deleted] in order to be more effective in countering the insurgency. So she has a need for her troops within her own territory. [Deleted.]

Senator ELLENDER. [Deleted.]

## U.S. MILITARY ASSISTANCE TO THAILAND

To what extent are we providing Thailand now with military hardware?

Secretary McNAMARA. The military aid program for Thailand, which is not part of this fiscal year 1967 supplemental, has a total of [deleted] million in it for fiscal year 1967.

Senator ELLENDER. Do you know how much Thailand is putting up on her own?

Secretary McNAMARA. I have her military budget here. I will be happy to introduce the figure into the record.

(The information is classified and was furnished separately to the committee.)

Senator ELLENDER. Well, I understood that we were again carrying most of the load there. We still have a military mission there; don't we?

Secretary McNAMARA. Oh, yes.

Senator ELLENDER. How many people do we have there?

Secretary McNAMARA. We have 35,000 people in Thailand, approximately.

Senator ELLENDER. No, no, I am talking about MAAG.

## U.S. PERSONNEL IN THAILAND ASSIGNED TO VIETNAM SUPPORTING OPERATIONS

Secretary McNAMARA. It is very difficult if not impossible to split this 35,000 into MAAG and non-MAAG now.

Senator ELLENDER. In answer to a question this morning, I thought you said that they were being used by the Air Force.

Secretary McNAMARA. No. I said that it included Air Force, Army, and other services [deleted].

But included in that 35,000 is our MAAG personnel.

Senator ELLENDER. But you don't know how much of the 35,000 is MAAG personnel?

Secretary McNAMARA. I can't answer it and I don't think there is any way to get it, because the MAAG functions have been taken over by these others, but the total military assistance program of grant aid for Thailand is [deleted] million for fiscal year 1967.

Senator ELLENDER. That is apart from the amount that we spend in order to take care of these 35,000 troops?

Secretary McNAMARA. That is quite right.

Senator ELLENDER. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

## THAI CONTRIBUTION TO CONSTRUCTION COSTS OF VIETNAM SUPPORT OPERATIONS

Senator ELLENDER. To what extent are the Thais contributing to the construction of these roads that no doubt [deleted].

Secretary McNAMARA. The great bulk of the expenditures are U.S. expenditures.

Senator ELLENDER. And the same thing obtains for the ports?

Secretary McNAMARA. Yes.

Senator ELLENDER. Airfields?

Secretary McNAMARA. Yes.

## LAND USE AGREEMENTS

Senator ELLENDER. Now what kind of agreements have you with the Thais?

Secretary McNAMARA. The arrangements with Thailand are slightly different from those with South Vietnam. I can introduce those into the record for you, Senator. [Deleted.]

Senator ELLENDER. And they don't contribute anything toward the construction of any facilities?

Secretary McNAMARA. Well, it is not strictly true, but essentially true.

Senator ELLENDER. How much of the money you are requesting will be spent for these harbors?

Secretary McNAMARA. In the fiscal year 1967 supplement, there is \$109 million for U.S. construction in Thailand [deleted].

Senator ELLENDER. That is?

Secretary McNAMARA. In Thailand.

Senator ELLENDER. Is that about the amount that is being spent there?

Secretary McNAMARA. No. There is in the fiscal year 1966 supplemental and prior years [deleted] million for U.S. construction in Thailand, and in the fiscal year 1968 budget [deleted] million for Thailand.

Senator ELLENDER. How many airports are we building there?

Secretary McNAMARA. I think it is [deleted].

Senator ELLENDER. And that is costing how much?

Secretary McNAMARA. Well, the total—

Senator ELLENDER. Altogether you have [deleted].

Secretary McNAMARA. Let me give you the fiscal year 1966 supplement and prior years, which had [deleted] million, of which [deleted] million was for the Air Force. The 1967 supplemental was [deleted] million for the Air Force. That is [deleted] million. And the fiscal year 1968 budget was [deleted] million for the Air Force. So let's say about [deleted] million in total for Air Force construction projects in Thailand.

## HARBOR DREDGING CONTRACTS

Senator ELLENDER. Now what difficulties are you having in obtaining sufficient dredges in order to clear the harbors of mud and siltation?

Secretary McNAMARA. I don't believe we have difficulties, Senator Ellender. We authorize the Navy to move dredges out there. I think they bought one from a European country, and otherwise obtained the dredges they needed some time ago.

Senator ELLENDER. You will remember I took the matter up on two or three occasions with the Navy, and it seems that none but Bonners was able to obtain contracts down there. What is the situation now, do you know?

Secretary McNAMARA. I can't answer the question. I was under the impression that there were either Texas or California companies involved with the dredging contracts.

Senator ELLENDER. Not on their own. They were acting as intermediaries as I understood.

Secretary McNAMARA. No, sir. I may be in error. I will have to check.

Senator ELLENDER. Will you check?

Secretary McNAMARA. Yes, sir, surely.  
(The information follows:)

There is no shortage of dredges for the current and foreseeable requirements in South Vietnam or Thailand. Dredging is accomplished through subcontracts with the prime contractors in Vietnam and Thailand. There are four dredges under subcontract with U.S. firms. The U.S. firms are Standard Dredging, New York (2 dredges) and Dillingham Overseas Corporation, Hawaii (2 dredges). Other subcontractors are Korean and Hong Kong firms. The U.S. Army has furnished a hopper dredge.

CONTRIBUTIONS OF MILITARY TOWARD PEACE

Chairman RUSSELL. Senator Pastore?

Senator PASTORE. Mr. Chairman.

Mr. Secretary, I have the greatest compassion for the way that we fire these questions at you that are fraught with so many imponderables, but I suppose if we don't ask them of you, who is in the hierarchy of those making the decisions, I don't know where else we can go. But let me ask you this question.

Is there anything that we are doing in a military way that will bring our adversaries to the negotiating table during the life of either the supplemental or the regular 1968 fiscal appropriation?

Secretary McNAMARA. Yes. I think there is much that we are doing that would contribute to that. I say contribute to it because I don't want to predict for sure that it will occur.

Senator PASTORE. I am talking about bringing them to the negotiation table.

Secretary McNAMARA. That is right. I think there is much that we are doing that would bring them to that. I think, for example, the bombing of the North is an action that would certainly contribute to moving them to the negotiating table. They are putting on such a campaign worldwide to get us to stop it that it is obvious they are influenced by it, and I think at some point this might well lead to a field for negotiations.

Second, they are paying such a very heavy price in the South, that if we continue that military pressure, this should begin to move them either to negotiations or to some change in their conduct of operations in the South [deleted].

The price they pay is fantastic. I am speaking now of their force in the South. There are 275,000 men there in that force and when you are assigned to it, you have received a ticket to death, and gradually that force's morale ought to demonstrate that.

Senator PASTORE. But wouldn't you say if you hurt them badly enough, that what they would do is just stop, and then wait for a better day? I don't see how that would bring them to the negotiating table. Now the point I make is this.

There are many people who are interested in the political phase of this as against the military phase of our involvement in Vietnam, and I am one of those who has supported the administration because I believe the position of the administration is absolutely correct as a middle ground between the dove idea and this hawk idea.

You have made some very significant statements here. You have said our bombing has had a purpose. Number one, it has helped the

morale of the South Vietnamese, but you have gone so far as to say that even an intensification of the bombing will not stop the infiltration appreciably. You have said that.

You said another purpose that has been served by the bombing is because of the fact that they realize that they have got to pay a price for victory, if they expect to accomplish a victory, or their involvement in Vietnam, and I quite agree with that.

#### CALCULATED RISK OF CESSATION OF BOMBING

Now there are people who are saying if we stop the bombing, there is a likelihood that these people would come to the negotiating table. That is refuted immediately by someone—well, we stopped for 37 days and nothing happened. But that was some time ago.

Here we have a man like U Thant, and I have said this before many, many times. He is an Asian, and he is one representative of the only international agency for peace in the world and he has made a recommendation.

Now if it is true that we have only had a limited purpose in our bombing, and an unconditional stopping of that bombing which would be unilateral so that we could start it all over again if we were booby trapped, why before we sink in all this money, and this is a lot of money, this is a supplemental bill that is almost \$13 billion, before we drain out the American Treasury and bleed ourselves dry, why don't we take a calculated risk here, in the hope that maybe something will happen, and follow the advice of other people who are more or less in an impartial and disinterested position?

#### RECOMMENDATIONS AGAINST CESSATION OF BOMBING

Secretary McNAMARA. I think that is a good question and is it one we must continue to examine and reexamine almost each passing day. I will give you today's answer, which should, I think, be reexamined tomorrow or next week or next month.

First, there are other impartial Asians, not leaders of any nation represented militarily in South Vietnam today, who recommend we not stop the bombing, because they say if we do stop the bombing, this will be misinterpreted by the north as a sign of weakness.

Senator PASTORE. All right, who are they? Bob, who are they? It certainly isn't India. It certainly isn't Pakistan. It certainly isn't Japan.

Secretary McNAMARA. I am not really at liberty to say, although I will—

Senator PASTORE. This is a confidential, a secret record. Who are these people?

Secretary McNAMARA. I will be happy, if the chairman would appoint you, for example, or one or two other members, I would be happy to tell you, but these were given to us in confidence, and I should, I think, respect that confidence.

In any case there are Asian leaders of other nations not involved militarily in South Vietnam who have recommended we not stop the bombing and who say that such action would be misinterpreted. I am not expressing my personal view. I am just repeating to you one factor to consider.

## FAILURE OF FAVORABLE RESPONSE TO BOMBING CESSATION PROPOSALS

Second, we have had opportunities to make clear to the North Vietnamese that we would be willing to stop the bombing without any action on their part preceding it, with no firm guarantee as to what they would do, but with just some general indication of how they would act. And the opportunities to present this proposal to them have occurred several different times in several different forms [deleted]. We have never received any indication whatsoever that they would respond favorably.

Now I want to emphasize again what I said before. This is my answer today. My answer tomorrow may be different. I think it is really the basic question we must keep in front of us all this time.

Senator PASTORE. But don't you think we might lose the chance, if we lost contact with these world leaders which can carry some prestige?

Secretary McNAMARA. No, sir; I don't believe we will have lost the chance. I think we have continuing opportunities for contact open to us.

Senator PASTORE. That is all I wanted to ask, Mr. Chairman.

Chairman RUSSELL. Is there any objection to Senator Ellender propounding one question?

Senator PASTORE. He can do it on my time.

Chairman RUSSELL. You have a few minutes left.

Senator ELLENDER. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

## U.S. AIR FORCE MORALE IN VIETNAM

Chairman RUSSELL. Senator Smith?

Senator SMITH. I pass at this time, Mr. Chairman.

Chairman RUSSELL. Senator Allott?

Senator ALLOTT. Mr. Secretary, I only have a couple of questions, and these center about, partially, the discussion we had last year, and the statements you made a while ago. I don't say these in the sense of anathema in any way, but I have in my hand a letter from a pilot dated last July, just returned from Vietnam after flying 115 combat strike missions. I also have attached to this letter, which I do not intend to put into the record, a letter from him authorizing me to use this letter.

Among other things he raises the question that morale among our fliers in the Pacific is not as high as we have been led to believe. Then he goes on and says this. Here are some of the reasons:

The aviator has been made to feel that he is unsupported.

1. He has read statements by Mr. McNamara and others that there is no bomb shortage. Then the pilot has to fly his plane but he can carry no rockets or large bombs because there aren't any in WESTPAC.

Now he was flying an A-4 Skyhawk. We have been over this pretty well, particularly last spring and summer when you testified, that apparently as late as last July, the pilots were told that there were no large bombs available.

I don't know that there is any particular purpose to be served by going over this again, unless you have something you would want to comment on in addition to what you have told us, because you have told us that there were sufficient bombs.

Secretary McNAMARA. Yes, I would like to comment on it. I think he completely misstates the attitude of the pilots. I was out there in October. I know that wasn't their attitude then, because General Wheeler and I both talked to a number of pilots. I don't think I was there in July. I think General Wheeler may have been.

General WHEELER. Not this past July.

Secretary McNAMARA. But in any case we were both there in October, and I am certain that wasn't the attitude then.

#### ADEQUACY OF SOUTHEASTERN ASIAN BOMB INVENTORIES

Second, as far as there being no bombs, no large bombs, in WESTPAC in July is concerned, it just isn't the case. I will be happy to go back and get the July inventories, if you want them. You can look at them.

The fact is that the bomb inventories are so high that we just a few days ago stopped sending all but five categories of bombs out there, unless the Commander-in-Chief, Pacific specially asked for it.

I think I read in the press of that letter at the time. I asked the Navy to look into it, not to penalize the man in any way, because I think he had left the service by then, but to find out the facts of the case. It was reported to me that they did not consider that the allegations were well founded, and I know from my own personal contact that they weren't well founded as far as the attitude of the pilots in October was concerned.

Senator ALLOTT. There is no point in my trying to argue about the bombs because there has been so much come back to us individually about the unavailability of bombs that I don't suppose we can resolve it.

Secretary McNAMARA. You can look at the bomb inventories if you want to and you can hear what General Wheeler just said and you can examine the statements of the commanders out there. They have said that at no time did bomb shortages adversely affect combat operations and I can show you the inventories. The fact is that bombs are coming out of our ears in the Pacific at the moment.

We have got [deleted] tons on the ground, and we used 56,000 tons in December, so you can see today's supply is tremendous. We have [deleted] on the way.

Senator ALLOTT. Is he talking about large ones, thousand pounders?

Secretary McNAMARA. I was looking for the inventory. I have got the worldwide inventory, but I don't happen to have the southeast Asian inventory. We have got plenty of large bombs. The requirements for these bombs float up and down. It is like the hems of women's dresses. It is a question of what is popular at the time. The 750-pound is what they wanted, particularly for B-52 operations. They wanted nothing but 750's, and I think I am right that now they want primarily 500's for 52's.

#### BOMBING STRIKES AT SURFACE-TO-AIR MISSILE SITES

Senator ALLOTT. Now this second point which I would like to explore with you very quickly. A pilot has flown there and watched the construction of SAM missile sites step by step until they were fully armed and operating.

Meanwhile when it was militarily wise to strike them in the early stages he was forbidden to do so, but when it was militarily asinine to strike them after they

were operational and heavily defended, he was then ordered to do so with very high losses.

Now I would like to ask this general question. I think Senator Byrd approached it. I have never been able to clearly define in my mind who makes the selections for targets there. You say that CINCPAC does it on certain general operation principles, and then above that it goes to the Chiefs, and above that it goes to other people, is that correct?

Secretary McNAMARA. It depends on the type of targets. Let's just take the allegation made that he wanted to strike the surface-to-air missile sites while under construction, wasn't allowed to, and was then ordered to strike them when they were fully operational, at great cost.

Now the latter is probably true, that when you strike them, it is costly, and that is a good reason not to strike them if you can avoid it. But there is no gain from striking them while they are under construction and before the equipment has been moved in. It is quite apparent that the North Vietnamese constructed far more sites than they had equipment for, and their pattern of action was to scar the earth, which is why we knew a site was being constructed, but not install at that site the radar and battery equipment. Certainly there is no sense in dropping bombs on scarred earth without equipment on it.

Senator ALLOTT. Yes, but your reconnaissance should show when that time has arrived.

Secretary McNAMARA. And when that reconnaissance shows it, it is the only time when a strike is warranted, and therefore prior to that time, they should not be struck. After that time, my guess is most commanders would not strike them unless they were interfering with operations, because they were heavily defended, and to strike them causes losses.

#### WASHINGTON INFLUENCE ON SAM SITE TARGET DECISIONS

I think I am correct, Bus, in saying that at no time in July or any time in 1966 for that matter was there any prohibition on striking any SAM sites. Washington made no decision whatsoever to strike SAM sites in 1966. I think I am correct on that.

General WHEELER. That is correct. As a matter of fact we took on [deleted] of them yesterday.

Senator ALLOTT. This is in fiscal year 1967.

General WHEELER. In fiscal year 1966 the same way.

Secretary McNAMARA. I think at no time did Washington exercise control over SAM site strikes in fiscal year 1966. This is typical of the errors in that letter.

Senator ALLOTT. I have no reason to distrust the letter.

Secretary McNAMARA. I hope you have no reason to distrust General Wheeler and me.

Senator ALLOTT. No, but here is a fellow who has been through 115 missions, mostly over North Vietnam, and he is not playing out in the backyard.

Secretary McNAMARA. Senator Allott, I submit to you he has no way of knowing at what higher command level the decision to strike has been made or not made.

Senator ALLOTT. No, I am asking the question because of the question that is posed by his remarks.

Secretary McNAMARA. Right. I simply tell you that as best I can remember, and apparently as best General Wheeler can remember, at no time in 1966 did authorities in Washington influence the decision to attack a SAM site.

General WHEELER. [Deleted.]

Senator ALLOTT. [Deleted.]

General WHEELER. [Deleted.]

Secretary McNAMARA. Senator, when I said that at no time during that period to my knowledge did Washington influence the attacks on SAM sites, I don't want to imply that other target decisions weren't made in Washington during that period, because they were. But SAM's were not a category that required Washington action.

#### U.S. TROOP STRENGTH AND FACILITY INVESTMENT IN THAILAND

Chairman RUSSELL. Senator Monroney?

Senator MONRONEY. Mr. Chairman, I just want to ask one or two questions about Thailand. We have some [deleted] airmen, did you say, that are stationed there in Thailand, and considerably more ground troops?

Secretary McNAMARA. Yes. I have forgotten the exact number of airmen; 35,000 altogether. [Deleted.]

Senator MONRONEY. 35,000, and we are approaching around [deleted] dollars in investment in facilities?

#### INSURGENCY THREAT IN NORTHEAST THAILAND

Secretary McNAMARA. It is over [deleted].

Senator MONRONEY. Is the threat there in northeast Thailand from the Vietcong or is it from local Communists, or what?

Secretary McNAMARA. We are told that it is led by infiltrated Communists, from North Vietnam.

Senator MONRONEY. How many?

Secretary McNAMARA. Well, it is probably, what would you say, Bus, less than [deleted] today?

General WHEELER. That is right. [Deleted.]

Senator MONRONEY. Are they indentifiable as combatants, or are they just suspected of being disloyal to the Thai Government?

General WHEELER. They are generally not Government oriented, and therefore they are right for indoctrination.

Senator MONRONEY. We have [deleted] there?

General WHEELER. We think about [deleted].

Senator MONRONEY. [Deleted] Vietcong?

Secretary McNAMARA. A [deleted] of what we would call insurgents.

Senator MONRONEY. It seems to me like that is an awful high price to pay for a [deleted] insurgents there, with 35,000 men.

Secretary McNAMARA. The 35,000 have nothing whatsoever to do with those insurgents.

Senator MONRONEY. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

Senator MONRONEY. Do you think it is likely that the Vietcong operations might spread, as an organized force, or is this just indigeneous rebels that we are speaking of?

Secretary McNAMARA. The Red Chinese and North Vietnamese have made very clear their intention to carry on a subversive campaign in Thailand as soon as their resources will permit it, and this is one of the great dangers of course of allowing the insurgency in South Vietnam to be successful. Very clearly they would then divert those resources away from South Vietnam and into Thailand.

Senator MONRONEY. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

#### VIETCONG ATTACKS ON THAI VILLAGES

Senator MONRONEY. To date there have been no Thai villages taken over or no assumption of control by the Vietcong?

Secretary McNAMARA. No.

Senator MONRONEY. Of any Thai territory?

Secretary McNAMARA. No. Occasionally they conduct an armed attack on a village.

Senator MONRONEY. A raid.

Secretary McNAMARA. A raid or something of that kind.

Senator MONRONEY. That is all I have, Mr. Chairman.

Chairman RUSSELL. Senator Symington?

Senator SYMINGTON. Thank you, Mr. Chairman. Mr. Secretary, with reference to some of the questions asked by Senator Allott, [deleted].

[Deleted.]

Secretary McNAMARA. [Deleted.]

Senator SYMINGTON. [Deleted.]

General WHEELER. [Deleted.]

[Colloquy deleted.]

#### ABILITY OF U.S. ECONOMY TO WITHSTAND COSTS OF WAR IN SOUTHEAST ASIA

Senator SYMINGTON. We are now in a major ground war in Asia. The Defense Department apparently is optimistic about it. Others are pessimistic.

Apparently we now plan to put tens of thousands more ground troops in South Vietnam, but do not plan to relax the rules against air attacks on military targets. My question is, how long can this Nation afford to continue the gigantic financial cost incident to this major ground war in Asia, without its economy becoming nonviable?

Secretary McNAMARA. I think forever, and I say it for this reason: That there are many things, many prices we pay for the war in South Vietnam, some very heavy prices indeed, but in my opinion one of them is not strain on our economy.

Now lest that sounds completely incomprehensible to you, here is why I say it. The Defense budget in fiscal year 1967, the current year, expenditures will be on the order of \$68 billion. We spent \$50 billion in fiscal year 1963—I take fiscal year 1963 just because it was a reasonably typical year. Take any other year you want to and make the same analysis. But in 1963 we spent \$50 billion.

From fiscal year 1963 through fiscal year 1967 our pay increases for military and civilian personnel and for retirement benefits have added about \$5 billion to the annual rate, so on a comparable basis, we would be spending \$55 billion. We are actually spending \$68 billion. The gross national product has gone up dramatically during that same period of time, and whereas in fiscal year 1963 we were spending 8.7 percent of our gross national product on defense, with the \$68 billion we are spending about 8.9 percent. So I don't see how it can be said that the defense burden, heavy as it is, is distorting our economy.

I don't think it is. That is why the price increase was as small as it was. That is why we are able to carry on these operations without materiel controls, and that is why we don't have either wage or price controls planned.

ADEQUACY OF GROSS NATIONAL PRODUCT TO DETERMINE ECONOMIC ABILITY

Senator SYMINGTON. Mr. Secretary, I would comment on that instead of asking my last question. I don't think the gross national product is necessarily a proper interpretation of our financial position. I am intrigued by your comment that you think we could run the cost of this war, and use your word, forever.

There is an article out by Dr. Stevens, former senior economist of the Standard Oil of New Jersey, and now a professor at the University of Indiana, who points out the danger of associating what you do in the way of spending too closely with your gross national product, if at the same time you are saying this justifies your financial position.

As you and I both know, what we have been doing over a long period of years now—18 now to be exact—is print paper gold so as to finance not only our own war, but the possible wars of practically everybody else. I just say this: If that is going to be the argument every year you all come up here, let me make a suggestion. Foment 50 strikes. Give the workers all they ask for. Put the additional price in the cost of the ticket and the merchandise. Then your gross national product will be that much higher, so that regardless of what you spend for defense it could be a lower percentage of the gross national product.

Secretary McNAMARA. No, sir; I don't think the mathematics will show that.

Senator SYMINGTON. Then we have an honest difference.

Secretary McNAMARA. I think this is a question of fact. When you have the 50 strikes, raise the price, which you certainly would, the price of defense goes up the same way, and therefore your defense costs as a percentage of your GNP remains the same as before.

What I am really saying to you gentlemen is that with as serious a problem as we have in Vietnam, and God knows it is serious, it isn't the money that is worrying me. Rather, it is the men's lives that are being lost and the risks we incur as a nation that is worrying me. But as serious as it is, it is not at the moment an insuperable financial burden for us. Nor do I think that in the future a defense budget as high as 9 percent of our GNP would constitute such a burden. It was 8.9 percent in fiscal year 1962 and 8.7 in fiscal year 1963, and I think we can sustain that kind of load in the future.

COMMITTEE RECESS

Chairman RUSSELL. The committee will now stand in recess until 10 o'clock tomorrow morning. We will meet in this room.

(Whereupon, at 4:40 p.m., Monday, January 23, 1967, the committee was recessed until 10 a.m., Tuesday, January 24, 1967.)

# SUPPLEMENTAL MILITARY AUTHORIZATIONS AND DEFENSE APPROPRIATIONS FOR FISCAL YEAR 1967

TUESDAY, JANUARY 24, 1967

U.S. SENATE,  
COMMITTEE ON ARMED SERVICES  
AND SUBCOMMITTEE ON DEPARTMENT OF DEFENSE  
OF THE COMMITTEE OF APPROPRIATIONS,  
*Washington, D.C.*

The Committee on Armed Services and the Subcommittee on Department of Defense of the Committee on Appropriations, met in joint session at 10:05 a.m., in room S-128, the Capitol, Hon. Richard B. Russell (chairman) presiding.

Present: Senators Russell, Ellender, McClellan, Pastore, Symington, Jackson, Mansfield, Cannon, Byrd of West Virginia, Young of Ohio, McIntyre, Inouye, Brewster, Byrd, Jr., of Virginia, Young of North Dakota, Smith, Allott, Thurmond, Miller, Tower, Pearson, and Dominick.

Of the staff of the Committee on Armed Services: William H. Darden, chief of staff; Gordon Nease, professional staff member; and Charles Kirbow, chief clerk.

Of the staff of the Committee on Appropriations: William W. Woodruff, assistant chief clerk to the committee; Francis S. Hewitt, clerk to the subcommittee; Vorley M. Rexroad, professional staff member; and Joseph L. Borda, minority counsel.

## DEPARTMENT OF DEFENSE

### OFFICE OF THE SECRETARY

#### STATEMENTS OF HON. ROBERT S. McNAMARA, SECRETARY OF DEFENSE, AND GEN. EARLE G. WHEELER, U.S. ARMY, CHAIRMAN, JOINT CHIEFS OF STAFF

##### MORALE, DEDICATION, AND COOPERATION IN U.S. FORCES

Chairman RUSSELL. Senator Thurmond; you are recognized for questions, Senator.

Senator THURMOND. Mr. Secretary, I visited Vietnam in December and had the opportunity to go into all areas. I am very much impressed with the medical facilities, and the high morale of the troops, with the exception of some of the pilots who felt they were risking their lives on unmeaningful targets, and others who felt that we ought to be bombing more meaningful targets. I was impressed with the dedication of the officers and the enlisted men with whom I came

in contact. I was impressed with the coordination of the services and the fine spirit of cooperation, and other things I could mention.

BOMBING OF STRATEGIC TARGETS AND CLOSING OF SUPPLY PORTS IN  
NORTH VIETNAM

I am concerned about winning the war more quickly, and I feel that the two probable ways of helping this would be the bombing of strategic targets in North Vietnam, and closing of the ports to enemy supplies. Therefore, my questions will be mainly directed toward the first item and then toward the second, if time permits. I will hand you the first question here so you can follow along with me.

[Deleted.]

Secretary McNAMARA. Yes. Let me respond first, and then ask General Wheeler to expand upon or correct anything I say.

[Deleted.]

General WHEELER. [Deleted.]

[Colloquy deleted.]

SELECTION OF BOMBING TARGETS

Senator THURMOND. The next question. Mr. Secretary, would you tell us in detail the procedures by which targets in North Vietnam are selected and approved for the U.S. aircraft to bomb, including the authority vested in this regard in General Westmoreland, the U.S. commander in the Pacific, the Joint Chiefs of Staff, the Secretary of Defense, the Secretary of State, and the President?

Secretary McNAMARA. Yes.

Senator THURMOND. I am trying to find out there, of course, as you see, exactly who determines the targets to bomb, and where the responsibility lies for them.

Secretary McNAMARA. The air combat in North Vietnam is under the command of the Commander in Chief of the Pacific, and hence the basic recommendations relating to that program come from him. Before he prepares his recommendations, he obtains counsel from his key subordinate commanders, in this case General Westmoreland and the Commander of the 7th Fleet.

In addition to that, he obtains the advice of his component commanders, the commanders of the Pacific Air and Naval Forces. Based upon that, and in counsel with his own staff, he prepares recommendations to the Joint Chiefs. Their recommendations are considered by the JCS with me, and to the extent that further higher level discussion of the targets is not required, the JCS are authorized to issue the commands to the Commander in Chief, Pacific, who in turn delegates the actions to his subcommanders.

There are certain restrictions on the Joint Chiefs' actions and the Commander in Chief's specific actions, and they relate to the following types of target or areas: [deleted].

Chairman RUSSELL. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

Secretary McNAMARA. I will be completely frank in discussing this.

Chairman RUSSELL. All right.

(Off the record.)

## POLICY OBJECTIVES AND MILITARY TASKS IN VIETNAM

Chairman RUSSELL. Senator Mansfield has certain duties as majority leader. He was here yesterday and wanted to ask some questions, but had to leave and was passed over. If there is no objection now, I will call on him.

Senator MANSFIELD. Thank you, Senator.

Mr. McNamara, on page 6 of your testimony yesterday, you indicated the basic tasks which flow from this war:

2. To interdict the flow of men and supplies from North Vietnam to South Vietnam.

3. To exert pressure on the Government of North Vietnam to cease its direction and support of insurrection in South Vietnam.

Am I to understand that this is a war directed not only against aggression from the North, but also is a civil war directed against insurrectionaries within South Vietnam?

Secretary McNAMARA. I think the answer is "No," Senator Mansfield. That is not what this statement was meant to say, nor is it my view of the war. Without arguing the point of the origin of the conflict, our analysis indicated to us that it would not have started, it certainly wouldn't have reached the present scale without active direction of the action in the south by the north.

Captured documents, [deleted] and other sources of intelligence appear to support that conclusion. Now having said that, I want to emphasize also that the direction from the north could not possibly have succeeded in activating the support it has had in the south, unless there had been what I will call indigenous support desiring to modify by revolutionary action, the economic and political institutions of the south.

Senator MANSFIELD. Mr. Secretary, I understand your point of view. I don't agree with it, because, according to the Webster Dictionary, an insurrection is "a rising up against civil or political authority."

It is my belief that in its beginning this was a civil war that has been added to by the infiltration of Hanoi. That cadres in very, very small extent did not start coming down until the latter part of 1964, according to information which was received from the Department of Defense and checked and rechecked and not denied.

## MEKONG DELTA CAMPAIGN

So, to me, it is a combination of a civil war in the south and an attack by Hanoi from the north, perhaps to direct the war effort, certainly to assist and to cooperate with the Vietcong. It appears to me that on the basis of newspaper reports recently, that we are considering stepped-up activities in the Mekong Delta. In that respect, I assume that you are aware, certainly far more than I am—I am no military expert—that when you go into the Mekong Delta, you are going into the most difficult part of all Vietnam, far tougher than the central highlands and far tougher than the area along the demilitarized zone, and if I may be permitted, Mr. Chairman, I would like to make a few comments about the Mekong which can be refuted or confirmed.

It is my understanding that down there in the delta, there are 25,000 miles of waterways and canals. The people number 7 million, clus-

tered along the estuaries of the Mekong. That the enemy is harder to identify in the delta than anywhere else in Vietnam. That the Vietcong has an extensive delta organization and continues to feed large quantities of men, supplies, and money to Vietcong units further north.

That, to repeat, the delta is a far worse area to fight in than the rest of Vietnam, and I think perhaps that might be given some degree of proof by the recent amphibious operation, which accomplished very little in a 10-day period, if my memory is correct.

Furthermore, that to many people in the delta the Vietcong is a nationalist and a village hero and not a Communist. That years of war have taught the Vietcong every aspect of guerrilla warfare in the Mekong area. That no North Vietnamese regulars have been found in the delta south of the Saigon area. That the delta Vietcong are masters at camouflage, know all the ins and outs of the waterways in the countryside, and at present number approximately [deleted] well-trained battalions.

In addition, there is a large guerrilla force bringing the enemy's delta force to [deleted] armed men.

One more statement. It is my impression, too, that many Vietcong battalions recruited in the delta are now fighting in the northern areas and they could be moved back. Is that a correct summary in brief of the situation there?

Secretary McNAMARA. Senator Mansfield, you made a number of statements, not all of which I was able to note as I listened to you, and I will comment on some of them, and those I do not comment on, I do not necessarily support. It's simply that my memory—

Senator MANSFIELD. Shall I ask them one by one?

Secretary McNAMARA. You may not want to take time. Let me comment on them. I simply want to point out that my failure to rebut or comment on a particular statement doesn't mean I endorse it.

#### POPULATION AND GEOGRAPHY OF DELTA

First, your general description of the delta is quite correct. It is an area that has perhaps 35 to 40 percent of the population. It is a rice-growing area. It is laced by waterways. It is extremely difficult to fight in the area.

#### VIETCONG FOOD AND WEAPONS BASE

The second point you make, basically, is that the Vietcong are very strong in the delta and that is certainly also true. They are not only strong there, but they use that area as a base of supply of food and weapons for their forces in the central and the northern parts of South Vietnam, and, of course, that is why it is important to begin to weaken their hold on the delta.

#### INFILTRATIONS FROM NORTH VIETNAM INTO DELTA

The third point you made is that the Vietcong in the delta, strong as they are, do not include, I believe you said, North Vietnamese regulars.

Senator MANSFIELD. Yes.

Secretary McNAMARA. [Deleted.] I think it is quite clear that the backbone of their strength is represented by men infiltrated from the north to serve as cadres and leaders, and on this point I would take

exception with what I understood you to say somewhat earlier—that it was not until 1964 that cadres, small in number, came down from the north.

There is complete documentary evidence to support our view that the north sent cadres in important numbers into South Vietnam starting in 1959 and certainly in large numbers in 1962 and 1963, and these men are the backbone of the Vietcong forces throughout the country, and particularly in the delta.

#### TROOP PENETRATION DIFFICULTIES IN DELTA

Finally, the inference you draw from your points I would agree with; that is, that the delta will be a very difficult area for U.S. troops to operate in. And, of course, it's exactly for that reason that General Westmoreland is moving very cautiously in introducing our troops into that area.

#### ENEMY KILL COSTS

Senator MANSFIELD. One brief question. Does it cost about \$400,000 to kill a Vietcong or a North Vietnamese?

Secretary McNAMARA. I wouldn't like to try to give you a figure. It costs a great deal indeed. The reason I can't give you a figure is that it is almost impossible to develop a meaningful estimate of the incremental cost of our operations in Vietnam, but it costs a lot, let's put it that way.

Senator MANSFIELD. Hundreds of thousands of dollars?

Secretary McNAMARA. Well, certainly a large amount. I have seen figures of \$100,000, \$200,000. I haven't seen any figure reported as large as \$400,000, but it certainly costs a very large amount. I would certainly agree with that.

#### U.S. TROOP STRENGTH IN SOUTH VIETNAM

Senator MANSFIELD. Now one more question, if I may, Mr. Chairman. That is this. It is my understanding, according to the press, that we will have approximately [deleted] men in South Vietnam by the end of this year. If we intend to go into the Mekong Delta, I don't think—speaking personally and without much in the way of anything to back me up—that you are going to have anywhere near the manpower necessary to invade and conquer this most difficult part in South Vietnam.

Chairman RUSSELL. Your time is up, Senator. Of course, General Wheeler, if you want to make a brief observation on that, sir, you may, or you may pass it.

Senator MANSFIELD. Perhaps we had better pass it, Mr. Chairman.

Chairman RUSSELL. Very well. Senator Robert Byrd.

Senator BYRD of West Virginia. Pass, Mr. Chairman.

#### COMPOSITION OF ENEMY FORCES IN MEKONG DELTA

Chairman RUSSELL. Senator Young.

Senator YOUNG of Ohio. Mr. Secretary, you have already testified that the bulk of the forces of the National Liberation Front are Vietcong fighting in the Mekong Delta, that they were born and reared in South Vietnam; that is correct, is it not?

Secretary McNAMARA. Yes.

Senator YOUNG of Ohio. And as a matter of fact, General Stillwell told me personally that 80 percent of the Vietcong fighting in the Mekong Delta were born and reared there; and General Westmoreland and you stated the same thing, that the bulk of them were born and reared there.

Now of the estimated 45,000 regular forces of North Vietnam now in South Vietnam, approximately what number would you estimate is in the Mekong Delta?

Secretary McNAMARA. [Deleted.]

#### NORTH VIETNAMESE MILITARY PERSONNEL OPERATIONS

Senator YOUNG of Ohio. Now as a matter of fact, Mr. Secretary, the few thousand regular soldiers from North Vietnam—there are not more than 45,000 regulars—operate in their own units under their own command as a rule, and do not mix with the Vietcong. Is that not correct?

Secretary McNAMARA. Generally, they operate under their own commanders in their own units, but we believe that in addition to the 45,000 in regular army units of the North Vietnamese Army, there are regular military personnel of the North Vietnamese Army filling in to offset casualties in Vietcong units, and these men operate under National Liberation Front commanders.

#### NATIONAL LIBERATION FRONT ACTIVITIES COMMANDER

Senator YOUNG of Ohio. And the head of the Vietcong, or National Liberation Front, is a Saigon lawyer, Nguyen Hau Tho, I believe. He is a civilian head of the National Liberation Front, of the Vietcong, and he is not a Communist. Isn't it correct that he is not a Communist?

Secretary McNAMARA. Tho is the civilian head and he is a South Vietnamese. I wouldn't want to say whether he is or isn't a Communist. But the National Liberation Front activities in South Vietnam are very clearly under the direction of a lieutenant general from the North Vietnamese Army.

#### SAIGON MILITARY JUNTA

Senator YOUNG of Ohio. With regard to the Saigon military junta that overturned the civilian government of Saigon in June of 1965, 9 of the 10 generals came from the North and they served as non-commissioned officers in the French colonial army. Isn't that right?

Secretary McNAMARA. Yes, but none of them today are taking orders from the political leaders of North Vietnam as is the lieutenant general now in operational control of the National Liberation Front activities in South Vietnam.

Senator YOUNG of Ohio. But 9 of those 10 generals, also Prime Minister Ky, who was in the French colonial army as a pilot, are what we in the Revolutionary period would have termed "the Tories," are they not?

Secretary McNAMARA. I don't want to try to—

## CONTRIBUTION OF NORTH VIETNAM TO WAR EFFORT

Senator YOUNG of Ohio. All right. Anyway, here is a question I want to ask you, Mr. Secretary. Secretary Rusk last evening in the White House referred, as he frequently does, to Communist aggression from the North. In other words, he has said from time to time that if the Communists from North Vietnam would leave the South alone, it would be easier for us to get out.

Well, in South Vietnam approximately 235,000 of the Vietcong or forces of the National Liberation Front are from the South, and you have testified that as of the end of 1966 45,000 North Vietnamese are confirmed as being there. They represent just a minor part of the total forces, do they not?

Secretary McNAMARA. It is a minor part in terms of numbers of men, but it is the foundation for the Vietcong activity in the South, and the best evidence I can give you to support my contention is that North Vietnam is paying a terrible price in order to try to preserve that foundation.

If that foundation is unimportant to the activities in the south, the north can get rid of the air attacks overnight by ceasing to support that foundation. The fact that they do not choose that course of action indicates the importance which they attach to that foundation.

## REPRESENTATION OF NLF OR VIETCONG IN CEASE-FIRE NEGOTIATIONS

Senator YOUNG of Ohio. If there should be a possibility of a conference to try to bring about a cease-fire in Vietnam, say, under the auspices of the International Control Commission, or to revive the Geneva Conference, have you, Mr. Secretary, any objection to representatives of the National Liberation Front or the Vietcong being seated as independent delegates along with others? In other words, would you object to a conference for a cease-fire, if invited to that conference were three delegates from the United States, three from the Saigon junta, three from the Hanoi government, and three from the National Liberation Front? Would you personally object to that?

Secretary McNAMARA. This, of course, is a question for the Secretary of State to answer and not the Secretary of Defense, but I do want to point out to you in respect to that question, and for the record, that the President has repeatedly said that the Vietcong would have no difficulty being represented and having their views represented at such a conference.

Senator YOUNG of Ohio. I know that, Mr. Secretary, but I don't think you can show me any time that Secretary of State Dean Rusk has not evaded that specific question.

Secretary McNAMARA. Well, the foreign policy of the country is directed by the President, and the Secretary of State is charged with carrying it out, and I think this represents very clearly the foreign policy of the Nation, and to the best of my knowledge, Dean Rusk fully supports it.

Senator YOUNG of Ohio. Then I ask you, because this is under your authority as Secretary of Defense, one of the topmost officials, if not the topmost next to our President, in the executive branch of the Government, do you really believe there could be peace and cease-fire in

Vietnam unless delegates representing the forces that are doing most of the fighting, the Vietcong or National Liberation Front, were invited to a conference?

Secretary McNAMARA. Senator Young, I do not want to appear to evade your question, but I think it is quite improper for the Secretary of Defense to speak in his capacity as Secretary of Defense, which is the capacity in which I am appearing here this morning, on matters of foreign policy. This is the responsibility of the President and the Secretary of State, and I do not believe the Secretary of Defense should comment officially on it, and therefore, I do not think I should answer your question.

Senator YOUNG of Ohio. You would not care to venture your personal opinion—

Secretary McNAMARA. No, sir.

Senator YOUNG of Ohio (continuing). As to whether there could really be peace unless the VC, the ones who are doing the fighting, were represented?

Secretary McNAMARA. No, sir, I would rather not because I am appearing as Secretary of Defense.

#### MILITARY CONTRIBUTIONS OF SOUTH KOREA AND THE PHILIPPINES TO SOUTH VIETNAM

Senator YOUNG of Ohio. The Republic of Korea has 46,000 combat—

Secretary McNAMARA. Yes, sir.

Senator YOUNG of Ohio (continuing). Very fine combat soldiers in Vietnam and we are supporting them [deleted] and the Philippines—their 2,100 men are noncombat.

Secretary McNAMARA. Well, they are combat engineers, but they are performing a civic action mission and are not frontline combat troops.

Senator YOUNG of Ohio. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

#### ARVN FORMER FRENCH OFFICERS

Chairman RUSSELL. Your time has expired.

Senator Tower.

Senator TOWER. Mr. Secretary, is it true that though there are a number of former French officers who are now officers in the ARVN, there are a number of ARVN officers and noncoms who fought the French during the time of the French colonial Government?

Secretary McNAMARA. Yes, I think individuals who were on both sides of the conflict then are now fighting together in the ARVN.

Senator TOWER. Because both sides are now represented in the ARVN.

Secretary McNAMARA. That is correct.

#### VIETCONG ATROCITIES AGAINST CIVILIANS IN SOUTH VIETNAM

Senator TOWER. Isn't it true, also, that the Vietcong very often drive women and children ahead of them to cover their troop movements, to

serve as a shield for their troops and haven't they committed terrorism and butchery on the civilian population?

Secretary McNAMARA. Well, without getting into particulars that they use civilians for human shields, there is no question but what the Vietcong have, over a period of time, committed thousands of atrocities against civilians in South Vietnam.

NATIONAL LIBERATION FRONT REPRESENTATION IN NEGOTIATIONS

Senator TOWER. And wouldn't the question of whether representatives of the so-called National Liberation Front are invited to sit around the negotiating table, be a question largely to be resolved by the Government of South Vietnam?

In other words, we would not be in a position of imposing our will on them in that connection, would we?

Secretary McNAMARA. Well, again this is a matter of foreign policy, Senator TOWER.

Senator TOWER. It is.

Secretary McNAMARA. I would rather not discuss it.

Senator TOWER. I withdraw the question because it is foreign policy. I have no further questions, Mr. Chairman.

Chairman RUSSELL. Senator Inouye.

NORTH VIETNAM ARMY AND OTHER COMMUNIST SUPPORT

Senator INOUE. Thank you, Mr. Chairman.

Mr. Secretary, how large is the North Vietnamese Regular Army?

Secretary McNAMARA. On the order of [deleted] in North Vietnam.

Senator INOUE. Are there any Chinese Communist troops in North Vietnam; if so, how many are estimated to be there?

Secretary McNAMARA. [Deleted.]

I think our information as to the number of such Chinese troops in North Vietnam, is sketchy, but I would think on the order of [deleted].

General WHEELER. The estimates are given on a spread, between [deleted].

Senator INOUE. Are there any Russian troops in North Vietnam?

Secretary McNAMARA. There may well be some Russian military personnel serving as trainers to the North Vietnamese forces, particularly in the operation of the surface-to-air missile systems which almost surely have been supplied by the Soviets. Beyond that, apart from some military advisers, [deleted] I know of no Russian troops in North Vietnam.

Senator INOUE. Castro, as an officer, said he would send volunteers there. Are there any Cuban volunteers?

Secretary McNAMARA. Not to my knowledge. I have seen reference to the possibility of Cuban volunteers and other volunteers moving to North Vietnam to support the North Vietnamese, but I do not believe they have done so in any significant numbers as yet.

Senator INOUE. Premier Kim has announced that he would send North Korean volunteers. Are there any North Korean volunteers?

Secretary McNAMARA. In no significant numbers, so far as I know. [Deleted].

## UNITED STATES AND SOUTH VIETNAM COMMANDS

Senator INOUE. I would like to ask your views on the relationship between the South Vietnamese military and our military.

Who has the supreme command there, or is there such a thing as a supreme command?

Secretary McNAMARA. There is not a supreme command. Our forces operate under the direct command of our own military commanders. The South Vietnamese forces operate under the direct military command of their commanders, who in turn are responsible to their political authorities.

Our commanders are responsible to our political authorities. As a matter of practice, in many, many cases the operations, combined operations of South Vietnamese and United States forces, are directed and commanded by U.S. commanders, but there it is an informal result of field coordination rather than agreed-upon political decision by the two governments.

Senator INOUE. Have you had instances where the South Vietnamese troops have proceeded against the recommendations of American commanders?

Secretary McNAMARA. I am certain there must have been some. I do not know of any significant ones offhand. Bus, do you?

General WHEELER. I asked General Westmoreland about the command relationships when I was out there a couple of weeks ago. He said that the system of direct support, which is the name he gives it, has worked out very well, and he cited no instances to me of where there had been a lack of cooperation or coordination. [Deleted.]

## OPERATION CEDAR FALLS IN IRON TRIANGLE

Senator INOUE. It appears that our recent Cedar Falls campaign in the Iron Triangle was a reasonable success, or a great success, and we were called upon to evacuate or relocate about 150,000 civilians. That is what I read—or was it 10,000?

General WHEELER. The upper figure that I heard, Senator—and I viewed, by the way, these refugees being taken out of the area—was 10,000. Probably the proper figure is somewhere between 6,000 and 10,000.

It is a sparsely populated area.

Senator INOUE. Now that you have cleared portions of or most of the Iron Triangle, I notice that the troops are leaving there. Are there any troops scheduled to remain there to hold that place?

General WHEELER. [Deleted.]

Senator INOUE. How successful are you in the relocation program? Who is in charge of it? Americans or South Vietnamese?

General WHEELER. It is primarily the responsibility, of course, of the South Vietnamese. However, they are assisted primarily by the U.S. AID people, and also, of course, the military commanders in the area, including the American commanders.

In this particular instance, there was a coordinated plan which had been drawn up as a part of Operation Cedar Falls for the relocation of this group of Vietnamese. The province chief in the area was the man who was in charge of the entire operation with other people cooperating and providing supplies, tents, vehicles to move the people, and so on.

## NONCONTROL OF PRESS

Senator INOUE. Do we have any sort of press censorship there? I ask this because at times I am rather horrified in seeing our photographers come out with pictures obviously aimed to incite our people. Is there censorship, or is everything open?

Secretary McNAMARA. There is no formal or official censorship. We have considered the possibility [deleted] and we finally agreed that it would be impractical to recommend to the South Vietnamese Government imposition of such controls.

We have, upon occasion, both here and in South Vietnam, engaged in discussions with news media, asking them to be more responsible in their coverage. I have done some of that here with the heads of the networks. Others have done it here, and still others have done it in South Vietnam. There has been far too much emphasis by some on what I would call sensational journalism, at a great cost to the support of the operations there, and in a way that completely distorts our purpose and our actions.

Senator INOUE. Last year there was an article in Life magazine with about 12 pages of gory pictures of an American in several stages of death. I assume the photographer was approved by the military and was taken along for this mission. Who gives approval for such—

Secretary McNAMARA. The accreditation is basically under the control of the Public Information Office of the military commander in South Vietnam, but he has no basis on which to withhold accreditation in most instances, and no control over the movement, basically no control over the movement of one photographer or newsman versus another.

On the other hand, we back here have both, I think, the responsibility and some opportunity for discussing with the publishers their responsibility to insure that their periodical or network gives a balanced picture of our activities, and certainly that particular case invaded the privacy of the individual involved.

We have been rather successful in stopping the kind of photography you alluded to. It used to be that you would see pictures of men dying on TV, with microphones jammed into their face to get their last dying statement. The networks have agreed to stop that kind of coverage.

Senator INOUE. Thank you very much.  
Chairman RUSSELL. Senator Brewster?

## RUSSIAN SHIPMENT OF WEAPONRY INTO NORTH VIETNAM

Senator BREWSTER. Thank you, Mr. Chairman.

Secretary McNAMARA. Good morning, sir.

Senator BREWSTER. Mr. Secretary, this week U.S. News & World Report carried the statement that the sophisticated weaponry such as SAM's and new antiaircraft weapons used in North Vietnam all came from the U.S.S.R. and came in by ship; is that correct?

Secretary McNAMARA. I think it is partly correct and partly wrong. I believe that most, if not all, of the sophisticated weaponry used by the North Vietnamese, and in particular the surface-to-air missile systems and the antiaircraft weapons come from the U.S.S.R. I be-

lieve that few, if any, of them come by ship. They come overland by rail through China.

#### PORT OF HAIPHONG

Senator BREWSTER. Is Hanoi still receiving POL or weapons through the port of Haiphong?

Secretary McNAMARA. I don't believe that Hanoi is receiving any substantial quantity of weapons by sea or particularly by sea by large cargo ships through the port of Haiphong.

They are receiving the bulk of their petroleum by sea. At present it is being offloaded outside the dock area, because of the destruction of the terminal facilities.

Senator BREWSTER. Why haven't we closed their ability to receive POL or anything else by sea?

Secretary McNAMARA. For two reasons, basically. First, we doubt that we could close or prevent them from receiving goods by sea, under the present circumstances.

[Deleted.]

Secretary McNAMARA. Second, we believe that an attempt to prohibit importation by sea, for example, by mining the Haiphong port, could very possibly react to our disadvantage. [Deleted.] So for both those reasons, one because we do not think we would accomplish much by it, and two, because we think we would have to pay a price for it, we have not up to the present time considered it wise to mine the Haiphong Harbor.

Senator BREWSTER. Is the latter reason, the political reason, the principal one rather than the military reason?

Secretary McNAMARA. I think you have to take them in combination. The political reason, as you call it, would assume less weight and importance if there was a great military gain to be achieved. But if the military gain is likely to be small, it is unwise to pay a political price as large as that which today appears to be associated with such an action.

#### VIETNAM BOMBINGS

Senator BREWSTER. Why do we not use our strategic bombers or B-52's over North Vietnam?

Secretary McNAMARA. For three reasons, I think. First, the types of targets we are attacking require a high degree of precision, which can better be obtained by fighter and attack bombing than by the pattern bombing that the B-52 is intended for.

Second, we do not need them there. We have a sufficiently large number of fighter and attack aircraft to meet our bombing requirements.

Third [deleted].

Senator BREWSTER. It seems to me there is a paradox in our using strategic bombers on tactical missions and tactical bombers on strategic missions. Is there any validity to that observations?

Secretary McNAMARA. I do not believe so. I think it is a semantic issue. I do not know whether you call a rail yard a tactical target or a strategic target. I think the important thing is to choose the weapon that can achieve the maximum destruction at the lowest cost to yourself, and that we think we are doing.

## SEARCH AND DESTROY MISSIONS AND CLEAR AND SECURE MISSIONS

Senator BREWSTER. In your statement, sir, you differentiated very carefully between missions of search and destroy as compared to clear and secure. In my limited knowledge of infantry warfare, the two are very closely knitted, and the attacking forces very often must protect their own rear. Certainly the most dangerous task is search and destroy. Why are the U.S. troops the battlefield troops, and the ARVN the barracks troops?

Secretary McNAMARA. I do not think that the term "barracks troops" adequately describes the mission we believe a portion of the ARVN troops should be assigned to. The clear and secure mission, as we use the term here, is not equal to or equivalent to the normal rear area security role of combat troops.

What is required here is the ferreting out of the guerrillas and what we call the guerrilla infrastructure in the countryside. It is a very hazardous mission, as is seen by examining the casualty rates of the troops engaged in it.

[Deleted] percent of the U.S. Marine Corps casualties have been incurred in such actions, and the casualty rate per thousand men of the South Vietnam Regional and Popular forces involved in the clear and secure operation is greater than the casualty rate per thousand men of the ARVN troops acting in the search and destroy operations. And finally we believe that in this instance, it is essential that the Vietnamese themselves assume the primary responsibility for clear and secure, because it involves a combination of conventional military, paramilitary, and civilian police functions, and these they are far better prepared to carry out in their own country than are we.

## TECHNICAL CAPABILITIES OF UNITED STATES AND ARVN FORCES COMPARED

Senator BREWSTER. Are the ARVN forces technically capable of carrying out the search and destroy missions that we are now doing?

Secretary McNAMARA. I think General Wheeler should answer that.

General WHEELER. I would say that they are technically capable. [Deleted.] For example, in the early stages of Cedar Falls, the operation that is going on now, there was at the height a total of 20 battalions of U.S. troops and five battalions of ARVN.

The ARVN troops participated in almost all of the clear and destroy operations there, to some degree.

Senator BREWSTER. How would you compare military efficiency on a sliding scale, say, a battalion of the 101st and an ARVN battalion?

General WHEELER. [Deleted.]

## ENGINEER GROUND ORGANIZATION

Senator BREWSTER. One last question. Would it be militarily practicable to establish a front, in the sense that we used it in World War II, across the northern boundary of South Vietnam and Laos, and thereby seal off the country from aggression from the North?

Secretary McNAMARA. In my judgment, Senator, you cannot "seal off" the country anywhere at any time. You can impede, you can put obstacles in the way of the enemy moving. In this particular instance, the greater difficulty in establishing sort of a Siegfried line

there of a bamboo type is the fact that the enemy is already behind you, and he could pass by you in preplanned operations both front and rear if he cared to do so. This is not to say that organization of the ground in the engineer sense would not be valuable in impeding enemy movements and permitting our people to do better.

[Deleted.]

Chairman RUSSELL. Senator Pearson.

#### SUPERSONIC TRANSPORT DEVELOPMENT

Senator PEARSON. Mr. Secretary, what, if any, benefits do you see or anticipate through the production and use of the SST?

Secretary McNAMARA. Except in the most indirect way, I anticipate no military benefits from the production of the supersonic transport. My interest in the project, and I am interested in it, is to see a successful development of a financially profitable enterprise, and I personally don't believe we should proceed with it as a national program, unless it can be developed to be financially successful.

I think the chances today are that it can be, although there is such substantial risk associated with it and such huge amounts of capital required in relation to the net worth of the private enterprises that will be involved and that will benefit from it that I suspect the Government will have to, if the project is to proceed, put up a portion of the risk capital on a basis that will insure that it receives a portion of the returns, assuming the project is successful.

Senator SYMINGTON. Mr. Chairman, could I ask, did he say "can be" or "can't be"?

Secretary McNAMARA. I believe it can be successful.

Senator SYMINGTON. Can be. Thank you.

Senator PEARSON. My reasons—

Secretary McNAMARA. I believe it can be financially successful, which is the only standard of success I would provide in this case.

Senator PEARSON. My reason for the question is that the generally accepted theory is that most of the civilian advancement comes back for benefit of the military mission. But you see only an ancilliary or sort of spin-off benefit back?

Secretary McNAMARA. I see very little benefit even of a spin-off character to military technology and military programs.

#### MANNED BOMBER DEVELOPMENT

Senator PEARSON. Has the use of the B-52 in Vietnam altered the thinking of your Department in regard to manned bomber production?

Secretary McNAMARA. No, sir; not at all.

#### ANTIBALLISTIC MISSILE SYSTEMS

Senator PEARSON. With the remainder of the time, last night, or perhaps yesterday, you gave us a figure on the research on the anti-missile missile at a cost of \$500 million?

Secretary McNAMARA. Roughly \$500 million a year. It is approximately \$420 million in the 1968 budget for the Nike X R. & D., and about \$20 million in the fiscal year 1968 budget for something very close to R. & D. This latter amount appears in the R. & D. budget but

it is actually related to preproduction planning. There is also about \$120 million in the 1968 budget for advanced research work in anti-ballistic missile defense associated projects. It is from this kind of "seed corn" research that we get the basic scientific knowledge and concepts that we later translate into the Nike X design itself. So I think the best way of expressing it is that we have about half a billion dollars proposed for further research and development work in anti-ballistic missile systems.

## MILITARY USE OF SPACE EQUIPMENT

Senator PEARSON. How much in this budget pertains to the military use of space equipment?

Secretary McNAMARA. In the fiscal year 1968 budget, about \$2 billion.

Senator PEARSON. With the rest of my time, would you review what we are doing on the antimissile missile and in space, and if there is any time left, relate it to what the Soviet Union may be doing in these two fields.

Secretary McNAMARA. Yes. Let me cover it in the brief time I have now and say that this will be a major subject, I presume, tomorrow when I get into the fiscal year 1968—

Chairman RUSSELL. This will come up in the regular 1968 budget.

Secretary McNAMARA. Yes, sir; I have a major section of my statement that will cover that.

Senator PEARSON. We are talking about the supplemental.

Chairman RUSSELL. This is the supplemental.

Secretary McNAMARA. There is nothing in the supplemental on this. I will be very happy to come back to it tomorrow.

Chairman RUSSELL. Senator Byrd.

## U.S. FORCE STRENGTH IN SOUTH VIETNAM

Senator BYRD of Virginia. Thank you, Mr. Chairman.

Mr. Secretary, let me pursue, for a moment, Senator Mansfield's last question along this line. Within the framework of the total force of [delete] will that give you adequate manpower to do the job that has been started in the Mekong Delta?

Secretary McNAMARA. I believe so, Senator Byrd, but I want to emphasize what I said yesterday—that General Westmoreland's acquiescence or support of the [delete] man plan is based on the qualification that if later it should appear that for military reasons he needs additional forces, he is free to request them, and as the President has stated and as General Wheeler and I have stated on repeated occasions, we propose to send General Westmoreland the forces he believes he needs.

Now General Wheeler mentioned yesterday the 9th Division, which has been sent to South Vietnam, [deleted] one brigade of that division will very shortly be sent into the delta. And this 9th Division was part of the [deleted] man force. So I think my answer to your question is yes, we believe the [deleted] man force is adequate, but I want to emphasize that if later events prove that it is not fully adequate, we will consider additional forces for assignment to Vietnam.

Senator BYRD of Virginia. To phrase it another way then, as of today, are you convinced that no more than [deleted] troops will be needed?

Secretary McNAMARA. Convinced that we shouldn't plan on more at the moment, but convinced also we should recognize the possibility that later events may prove additional forces are required, and we should, therefore, be prepared with contingency plans to face that situation.

#### PRESS COVERAGE EVALUATION

Senator BYRD of Virginia. Speaking generally, and without regard to specific instances, is the news coverage coming out of Vietnam in your judgment factual and fair?

Secretary McNAMARA. I would say, generally, yes. Now when I say that, I don't mean to say that there aren't times when particular stories present distorted pictures of the situation there. I think one of the most disgraceful distortions was the news coverage of our use of riot control weapons. Every newspaper in the world had the headline "U.S. Engages in Gas Warfare in Vietnam," and the facts were that we never did use anything other than the riot control weapons that are used by every major police force in the world, and the press knew it.

Now we run into instances of that kind periodically that are disgraceful failures of the press in fulfilling their responsibilities to our people and to the people of the world. But with that exception, I think the press coverage is extensive, it's comprehensive, it's intensive and I would say on the whole, fair.

#### ASSOCIATED PRESS REPORTS

Senator BYRD of Virginia. To bring it down to a specific news agency, as the dominant news agency is the Associated Press, which is the world's largest news gathering organization, would you say, speaking generally again, that its reporting has been factual and comprehensive and reasonably accurate?

Secretary McNAMARA. Yes, I would say so. I saw an article this morning, however, that I asked Cy Vance to look into while I was here, that I thought again was very irresponsible.

It happened to be a United Press dispatch from Saigon. It said a high U.S. official stated: "Within a matter of a few weeks the United States will be bombing airfields in North Vietnam, that the matter now lies before the President, and the only action required is his decision," and that "the highly placed U.S. official stated that with proper air action the war could be over in a month."

Now I doubt very much that a high U.S. official made either one of those statements, and in any event, whether he did or didn't, both of them are absolutely wrong. Now that is the kind of incorrect and irresponsible press coverage that occasionally plagues us, but these are occasional matters and not representative of the basic press coverage.

Senator BYRD of Virginia. Thank you, Mr. Secretary.

## SOUTH VIETNAM PORT CAPACITY

Chairman RUSSELL. Mr. Secretary, last year you advised us that the total port capacity or capability in South Vietnam would be increased by about 75 percent between January and July of 1966. Did that materialize?

Secretary McNAMARA. Yes, sir, I believe it was actually 80 percent.

Chairman RUSSELL. Do we still have ships anchored off shore trying to get in?

Secretary McNAMARA. Basically we don't have any military ships carry military cargo beyond those that we would normally expect to have there to insure an even flow of work through the docks. I think I gave the figures in my statement. The military backlog is down to what we consider normal.

The commercial shipping is still plagued with long waits, both at the docks and awaiting their turn at the docks, because of the failure to move the goods through the warehouses, and there is a backlog in the warehouses, but not a shortage in port facilities per se.

## SOUTH VIETNAM CONSTRUCTION PROGRAM

Chairman RUSSELL. Your statement deals with construction requirements under the supplemental. Will what you are seeking in this supplemental substantially complete the construction program for southeast Asia as you see it, or is this request designed only to carry you through the balance of this fiscal year?

Secretary McNAMARA. There are in the fiscal year 1968 program southeast Asia construction requests in addition to those in the 1967 supplemental, Mr. Chairman. There are in the 1968 program an additional \$114 million specifically requested for southeast Asia, and beyond that, a \$200 million contingency fund, which we believe is required for unforeseen requirements in southeast Asia. But with that \$314 million, \$114 million of specific projects and \$200 million of contingency funds, I believe that except for minor additions that will come up in subsequent years, it will complete our program.

Chairman RUSSELL. You think this completes it.

Secretary McNAMARA. Yes, sir; I believe so.

## SOUTHEAST ASIA CONSTRUCTION COSTS

Chairman RUSSELL. In fiscal year 1965 I believe you found it necessary to secure funds from various sources for construction support in Vietnam. Can you give us the total amount that has been made available for permanent military construction in South Vietnam?

Secretary McNAMARA. Yes; I will give you the totals first. I would like to include fiscal year 1965 if I may just because I happen to have the figures from fiscal year 1965.

Chairman RUSSELL. That would be preferable.

Secretary McNAMARA. I have the 1965 regular budget, 1965 supplemental, 1966 regular, 1966 amendment, 1966 supplemental, the 1966 MAP transfer, the 1967 supplemental, and the 1968 regular budget.

For that period of time, therefore, fiscal year 1965 through fiscal year 1968, the total proposed for South Vietnam is \$1,567 million. For southeast Asia related activities, these are primarily in southeast

Asia itself, but includes some in this country, related to the southeast Asia operations, \$832 million in addition to the \$1,567 million for South Vietnam, plus \$71 million for planning activities associated with that previously stated program, and the previously referred to \$200 million contingency fund which we are requesting for fiscal year 1968—making a total of \$2,670 million for construction for southeast Asia related activities.

Chairman RUSSELL. \$2,670 million.

Secretary McNAMARA. Yes, sir.

Senator ELLENDER. Does that include Thailand?

Secretary McNAMARA. That includes Thailand.

Senator ELLENDER. In the \$832 million?

Secretary McNAMARA. \$832 million; that is correct.

Chairman RUSSELL. This year.

Senator ELLENDER. No, no.

Secretary McNAMARA. No; this is for the entire period, fiscal years 1965, 1966, 1967, and 1968.

Chairman RUSSELL. I thought it was a total of \$2,670 million for the entire period.

Secretary McNAMARA. Which includes \$832 million for the entire period for non-South Vietnam, but southeast Asia related construction [deleted].

#### SOUTH VIETNAM CIVILIAN VISITORS

Chairman RUSSELL. Recently I received complaints from two or three church groups composed of business and professional men who had planned a trip to South Vietnam. They stated they were initially encouraged by the Department, but later the trip was canceled. They requested me to intervene. I told them I could not urge the Department to let them go to South Vietnam because I thought that you had already overburdened the officers there by allowing too many groups to visit when the primary purpose of our military people is to fight a war, and not to serve as escorts for visiting groups.

But I want to know what your policy is there with respect to travelers, civilian groups. Are you sponsoring groups, including the press, to visit there?

Secretary McNAMARA. Mr. Chairman, because of a serious press problem 2 or 3 years ago, a problem that was reflected in what we considered to be irresponsible reporting, we did encourage some members of the U.S.-based press to visit South Vietnam.

I believe that since then we may have, in effect, supported or encouraged about 50 such visits. At various times we have also assisted particular groups, such as a group of governors, for example, to visit the area. Generally speaking, we try to discourage visitors for exactly the reason you alluded to.

Every one of these visits burdens the political and military authorities in South Vietnam, both United States and Vietnamese, which doesn't say that we shouldn't support some visits.

Chairman RUSSELL. I agree with that. Members of Congress, for example, are entitled to full support.

Secretary McNAMARA. Exactly, but we do try to be selective and insure that there is a purpose to be served by the group making the request. I am not familiar with these particular requests you mentioned. If you wish, I will be happy to look into them.

Chairman RUSSELL. I am not going into it because I told them I didn't intend to. I just wondered if you were sponsoring any civilian groups.

Secretary McNAMARA. We do sponsor a few, but we try to be very selective.

Chairman RUSSELL. I think it's poor policy. I realize that it is well to have the war as popular as possible, but there is no way to make this war popular—I don't care how many groups go out there. I do not mean to say that we do not have to win it, because we do have to.

Secretary McNAMARA. Well, we had Cardinal Spellman, Billy Graham, Bob Hope—people of that caliber.

Chairman RUSSELL. I think people who entertain the troops and men of that caliber serve a very useful purpose and you ought to furnish them transportation or anything they need.

Secretary McNAMARA. This is what I mean when I say civilian groups selectively chosen.

Chairman RUSSELL. But these businessmen, even though they are outstanding businessmen—

Secretary McNAMARA. I don't recall any such group that we have sponsored, Mr. Chairman.

Chairman RUSSELL. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

General WHEELER. [Deleted.]

Chairman RUSSELL. [Deleted.]

Senator SYMINGTON. Will the Chair yield for a question?

Chairman RUSSELL. [Deleted.]

General WHEELER. [Deleted.]

Senator SYMINGTON. Will the Chair yield for just one question?

Chairman RUSSELL. Yes.

Senator SYMINGTON. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

Chairman RUSSELL. [Deleted.]

[Colloquy deleted.]

U.S. FUNDING OF ALLIED TROOPS IN SOUTH VIETNAM

Senator DOMINICK. Mr. Chairman.

Chairman RUSSELL. Senator Dominick, I beg your pardon. The list shows that you were not called on yet today. I am sorry.

Senator DOMINICK. Mr. Secretary, this supplemental plus the regular 1968 programs which you will be talking about tomorrow, I gather, total about \$86 billion. Of that \$86 billion, how much represents payments to South Vietnam, South Korea, the Philippines, Australia, and New Zealand? Can you give us that, even roughly?

Secretary McNAMARA. These are what I would call support costs. I will give you our best estimates of what they are in the fiscal year 1967 supplemental and the fiscal year 1968 budget combined.

[Deleted.]

Senator DOMINICK. [Deleted.]

Secretary McNAMARA. [Deleted.]

## NORTH VIETNAM CONTRIBUTION TO WAR

Senator DOMINICK. Mr. Secretary, it is my understanding of your answers to the questions I asked yesterday that you felt if North Vietnam were, in effect, knocked out of the war, the war would still continue in the south, is that correct?

Secretary McNAMARA. There would be a physical and a material capability for continuing in the south, but I am inclined to believe that except for a low-level, guerrilla-type activity, [deleted] the military activity we are witnessing today would collapse very quickly, not because of lack of human and material resources, but because of lack of political direction and will.

Senator DOMINICK. Then you think it would be helpful to knock North Vietnam out of the war.

Secretary McNAMARA. I think it is fundamental to any successful conclusion of the war in the south that North Vietnam be forced to cease its support.

## ECONOMIC SUPPORT SOURCE

Senator DOMINICK. At the briefing a year ago you left me with the impression that we had no desire to destroy the economic capability of North Vietnam. Do I understand you correctly?

Secretary McNAMARA. That is correct.

Senator DOMINICK. How do you merge those two?

Secretary McNAMARA. Because we don't believe that the economic capability of North Vietnam really is fundamental to their support of the war in the south. Economically, North Vietnam is almost entirely an agricultural nation. At least 85 percent of their economic activities are associated with agriculture, and this is primarily associated with feeding their own people. The economy of North Vietnam is not what is supporting the North Vietnamese activities in South Vietnam and, hence, destroying the economy of North Vietnam would not in our opinion affect significantly the war in the south.

Senator DOMINICK. If the North Vietnamese economy is not supporting their effort in South Vietnam, what is?

Secretary McNAMARA. External support, particularly from China and the Soviet Union.

Senator DOMINICK. So what you are saying then, in effect, is that we are really engaged in a war of some kind of attrition between the Soviet Union and Red China insofar as the support of South Vietnam is concerned.

Secretary McNAMARA. Well, no; I would say that our efforts are directed to the destruction of the support that basically flows from China and the Soviet Union into South Vietnam through North Vietnam, by attacking that support in South Vietnam and interdicting it, to the extent feasible, in North Vietnam. In particular, it is an effort to influence the political decision of the political leaders of North Vietnam to cease their support by imposing this pressure on them in the north, while at the same time proving to them that they have no opportunity to win in the south.

## COMMUNIST SHIPMENTS TO AND TARGETS IN NORTH VIETNAM

Senator DOMINICK. Let me ask you this question then. Is it your feeling that if we could cut off the supplies and equipment that come

into North Vietnam from the Soviet Union, the European bloc, and the Chinese, we would then effectively cut off any aid to the Vietcong in South Vietnam?

Secretary McNAMARA. Well, they would still receive some aid, but we would cut off the bulk of the aid that North Vietnam is currently supplying, over a reasonable period of time.

Senator DOMINICK. I don't understand why we don't try to interdict the shipping that comes in, and why we don't try to do something about reevaluation of our targeting capabilities.

Secretary McNAMARA. We doubt very much that a change in targets attacked within the north would significantly affect the flow of materiel, men, and supplies to the south.

[Deleted.]

#### ADMINISTRATION POLICY RE NORTH VIETNAM

Senator DOMINICK. You have been quoted—and I do not know whether this is accurate, but I would like to get your comments on it—as saying that the administration policy has no intention of destroying the North Vietnamese will to fight.

Secretary McNAMARA. I can't ever remember having said that, Senator Dominick. The administration policy is directed to exactly the contrary objective: to destroy the will of the political leaders of the north to carry on the campaign in the south.

#### SOUTH VIETNAM POPULATION AND LAND CONTROLS

Senator DOMINICK. As of about a year ago there was a report extant that the Vietcong control 80 percent of the geography and 20 percent of the people, that we control 20 percent of the geography and 80 percent of the people. Has there been any change in that ratio?

Secretary McNAMARA. The percentages controlled by us and the Vietcong do not add to 100 because there is a substantial amount of territory and population controlled by neither. I think these figures of territorial and population control are very slippery. We just don't have adequate measures of them.

A report was referred to yesterday by one of the committee members indicating that as of the present time, the Government of Vietnam is believed to control about [deleted] percent of the territory and [deleted] percent of the people. I think that is about as accurate a representation as I could give you, but it doesn't mean that the rest of the country and population is controlled by the Vietcong, because a high percentage of the territory and people are not really controlled by either the Vietcong or the Government.

#### U.S. FUNDING OF ALLIED FORCES IN SOUTH VIETNAM

Senator DOMINICK. I understood you to say yesterday that over and beyond a very minimal salary which was paid to the Vietnamese soldier, we supply all the rest of their costs.

Secretary McNAMARA. I think that is essentially correct.

Senator DOMINICK. Are we including in all the rest of their costs the [deleted] million? Does this cover that whole thing?

Secretary McNAMARA. Yes.

Senator DOMINICK. In both the supplemental and in the 1968 budget?

Secretary McNAMARA. Yes. The basic 1967 budget included about [deleted] I believe for what amounted to military assistance for South Vietnam, and this figure I gave you of [deleted] was in addition to that—about [deleted] in the fiscal year 1967 supplemental and about [deleted] in the fiscal year 1968 budget.

Senator DOMINICK. And these figures which you supplied to me before, which I realize you are going to go over again for the record, also include whatever assistance we are giving to their military soldiers or their troops or their battalions or their construction engineers, or whatever it may be.

Secretary McNAMARA. With this qualification: that in the case of Korea, the military assistance to Korea is covered by two different bills. The basic military assistance program, which runs about [deleted] a year, is in the military assistance legislation itself. I think I said about [deleted] was in the fiscal year 1967 supplemental and the fiscal year 1968 budget for the Korean forces operating in South Vietnam, or actions associated with those forces.

#### SOUTH VIETNAM PORT CAPACITY

Senator YOUNG of North Dakota. Mr. Secretary, the chairman asked some questions a little while ago with reference to the number of ships waiting to be unloaded.

Secretary McNAMARA. Yes.

Senator YOUNG of North Dakota. Part of these ships are being held in Manila Bay rather than at Saigon; isn't this correct?

Secretary McNAMARA. We have at the present time very few, if any, *military* ships "holding" in Manila Bay. I have the average figures here, which include all ships "holding" anyplace. I don't know of any *military* ships in Manila Bay at the present time "holding" for South Vietnam.

We did a year ago have a substantial number there. There are commercial ships being held at various places. Whether there are any in Manila Bay I currently don't know, but there are a lot of ships with commercial cargoes being held because of the inability to move commercial cargo through the ports.

Senator YOUNG of North Dakota. Are these commercial goods necessary for our military forces?

Secretary McNAMARA. No, they are unrelated to our military operations. These are refrigerators, automobiles and material of that kind, fertilizer, and so forth.

Senator YOUNG of North Dakota. About what is the demurrage charge on a ship being held in Saigon? It runs \$3,000 a day?

Secretary McNAMARA. I would guess it averages between \$4,000 and \$6,000 per day. The average time I think for military unloading is on the order of 5 to 8 days. We have absolutely no problem with military cargo at the present time.

#### SHIPS HELD AT MANILA

Senator YOUNG of North Dakota. I was told in Manila that there were around 30 ships or more. I was going to count them.

Secretary McNAMARA. Let me check and add to the record a comment on Manila ships, but I am almost positive there are no *military* ships being held in Manila.

(The information follows:)

As of January 25, 1967, there were two ships with military cargo destined for South Vietnam "holding" in Manila. These two ships are scheduled to depart Manila on January 30, 1967.

DEPARTMENTAL REDUCTION OF SERVICE REQUESTS

Senator YOUNG of North Dakota. Did the Department of Defense make any substantial reductions in the supplemental requests of the various services?

Secretary McNAMARA. Yes. I cut the service requests in the supplement about \$5.8 billion.

Chairman RUSSELL. In the supplement?

Secretary McNAMARA. Yes. Let's see now, it is a total of \$23.5 billion for the supplement and the 1968 program. Let's say \$5.8 billion for the supplement and \$17.6 billion for 1968 for a total of about \$23.4 billion for the two budget requests that lie before you. If you are interested, I will be happy to give you a list of the reductions as I have in past years.

Chairman RUSSELL. I would like to have a list.

Secretary McNAMARA. Yes, I will be happy to.

Chairman RUSSELL. Would you furnish that for the record.

Secretary McNAMARA. I have it available here, Mr. Chairman, and will be happy to give it to you.

(Classified information was furnished to the committee. The unclassified information follows:)

*Fiscal year 1967 supplemental budget review—Summary of Secretary of Defense budget review adjustments by Department of Defense component*

[In millions of dollars]

Department of Defense component	Adjustments to service requested programs	Financing adjustments	Revolving and management fund adjustments	Total adjustments to reduce NOA required
Department of the Army.....	-1,977.7	-17.4	-196.2	-2,191.3
Department of the Navy.....	-1,605.7	-97.0	-128.0	-1,830.7
Department of the Air Force.....	-1,317.1	-4.3	-----	-1,321.4
Defense agencies.....	-126.7	+4.7	-293.0	-415.0
Civil defense.....	-----	-----	-----	-----
Military assistance.....	-10.4	-----	-----	-10.4
Department of Defense total.....	-5,037.6	-114.0	-617.2	-5,768.8

122 SUPPLEMENTAL DEFENSE AUTHORIZATIONS AND APPROPRIATIONS

Comparison of Department of the Army fiscal year 1967 request (including supplemental) with fiscal year 1967 request in President's budget for fiscal year 1968

[In millions of dollars]

	Service submit to OSD	President's budget	Difference
Military personnel, Army	6,939.7	6,897.6	-42.1
National Guard personnel, Army	373.5	370.3	-3.1
Reserve personnel, Army	323.6	309.3	-14.3
Operation and maintenance, Army	7,873.8	7,216.4	-657.3
Operation and maintenance, Army National Guard	234.2	231.0	-3.2
National Board for the Promotion of Rifle Practice, Army	.5	.5	-----
Procurement of equipment and missiles, Army	6,517.2	5,863.3	-653.9
Research, development, test, and evaluation, Army	1,653.6	1,593.2	-60.4
Military construction, Army	971.7	430.3	-541.3
Military construction, Army Reserve	10.0	3.0	-7.0
Military construction, Army National Guard		5.0	+5.0
Total, direct program	24,897.7	22,920.0	-1,977.7
Financing available for direct program	-265.0	-282.4	-17.4
Subtotal, new obligational authority and adjustments	24,632.7	22,637.6	-1,995.1
Revolving and management funds, Army stock fund	547.2	351.0	-196.2
Total, new obligational authority and adjustments	25,179.9	22,988.6	-2,191.3
Less enacted availability	-17,344.2	-17,344.2	-----
Fiscal year 1967 supplemental	7,835.7	5,644.4	-2,191.3

NOTE.—Amounts include supplemental requirements for southeast Asia, military and civilian pay, and other requirements.

Comparison of Department of the Navy fiscal year 1967 request (including supplemental) with fiscal year 1967 request in President's budget for fiscal year 1968

[In millions of dollars]

	Service submit to OSD	President's budget	Difference
Military personnel, Navy	3,980.1	3,946.4	-33.7
Military personnel, Marine Corps	1,272.1	1,265.9	-6.2
Reserve personnel, Navy	115.5	113.4	-2.1
Reserve personnel, Marine Corps	37.3	37.3	-----
Operation and maintenance, Navy	4,907.9	4,646.5	-261.4
Operation and maintenance, Marine Corps	429.7	424.6	-5.1
Procurement of aircraft and missiles, Navy	4,338.1	3,786.1	-552.0
Shipbuilding and conversion, Navy	2,076.9	2,041.0	-35.9
Other procurement, Navy	2,683.2	2,370.3	-312.9
Procurement, Marine Corps	665.5	540.9	-124.6
Research, development, test, and evaluation	1,815.7	1,907.5	91.8
Military construction, Navy	643.1	279.5	-363.6
Military construction, Naval Reserve	5.4	5.4	-----
Total, direct program	22,970.5	21,364.8	-1,605.7
Financing available for direct program	-635.5	-732.5	-97.0
Subtotal, new obligational authority and adjustments	22,334.9	20,632.2	-1,702.7
Revolving and management funds:			
Navy stock fund	136.0	77.0	-59.0
Marine Corps stock fund	69.0		-69.0
Total, new obligational authority and adjustments	22,539.9	20,709.2	-1,830.7
Less enacted availability	-16,987.4	-16,987.4	-----
Fiscal year 1967 supplemental	5,552.5	3,721.8	-1,830.7

NOTE.—Amounts include supplemental requirements for southeast Asia, military and civilian pay, and other requirements.

## SUPPLEMENTAL DEFENSE AUTHORIZATIONS AND APPROPRIATIONS 123

*Comparison of Department of the Air Force fiscal year 1967 request (including supplemental) with fiscal year 1967 request in President's budget for fiscal year 1968*

[In millions of dollars]

	Service submit to OSD	President's budget	Difference
Military personnel, Air Force.....	5,547.6	5,525.8	-21.8
Reserve personnel, Air Force.....	71.2	70.8	-.4
National Guard personnel, Air Force.....	84.4	84.2	-.2
Operation and maintenance, Air Force.....	5,580.0	5,535.3	-44.7
Operation and maintenance, Air National Guard.....	256.5	254.7	-1.8
Aircraft procurement, Air Force.....	6,406.4	5,685.4	-721.0
Missile procurement, Air Force.....	1,364.3	1,284.5	-79.8
Other procurement, Air Force.....	3,042.4	2,768.6	-273.8
Research, development, test, and evaluation, Air Force.....	3,123.6	3,168.1	+44.5
Military construction, Air Force.....	630.9	412.9	-218.0
Military construction, Air Force Reserve.....	3.6	3.6	-----
Military construction, Air National Guard.....	9.4	9.4	-----
Total, direct program.....	26,120.3	24,803.2	-1,317.1
Financing available for direct program.....	-535.6	-539.8	-4.3
Total, new obligational authority and adjustments.....	25,584.8	24,263.4	-1,321.4
Less enacted availability.....	-21,041.7	-21,041.7	-----
Fiscal year 1967 supplemental.....	4,543.1	3,221.7	-1,321.4

NOTE.—Amounts include supplemental requirements for southeast Asia, military and civilian pay, and other requirements.

*Comparison of Defense agencies fiscal year 1967 request (including supplemental) with fiscal year 1967 request in President's budget for fiscal year 1968*

[In millions of dollars]

	Agencies submit to OSD	President's budget	Difference
Retired pay, Defense.....	1,780.6	1,814.0	+33.4
Operation and maintenance, Defense agencies.....	943.7	915.1	-28.6
Claims, Defense.....	34.3	34.0	-.3
Contingencies, Defense.....	15.0	15.0	-----
Court of Military Appeals, Defense.....	.6	.6	-----
Procurement, Defense agencies.....	45.5	45.5	-----
Research, development, test, and evaluation, Defense agencies.....	486.2	489.9	+3.8
Emergency fund, Defense.....	125.0	18.2	-106.8
Military construction, Defense agencies.....	14.9	8.6	-6.4
Loran stations, Defense.....	-----	-----	-----
Family housing, Defense.....	520.7	519.4	-1.3
Homeowners' assistance.....	31.3	11.0	-20.3
Special foreign currency program.....	7.3	7.3	-----
Operation and maintenance, civil defense.....	67.1	67.1	-----
Research, shelter survey and marking, civil defense.....	35.0	35.0	-----
Military assistance, Defense.....	898.0	887.6	-10.4
Subtotal, direct program.....	5,005.4	4,868.3	-137.1
Financing available for direct program.....	179.3	174.6	+4.7
Subtotal, new obligational authority and adjustments.....	4,826.1	4,693.7	-132.4
Revolving and management funds:			
Defense stock fund.....	400.0	107.0	-293.0
Foreign military sales fund.....	53.6	53.6	-----
Total, new obligational authority and adjustments.....	5,279.7	4,854.3	-425.4
Less enacted availability.....	-3,783.6	-3,783.6	-----
Fiscal year 1967 supplemental.....	1,496.1	1,070.7	-425.4

NOTE.—The above tabulation covers all appropriations not specifically identified in the budget to Army, Navy, or Air Force. Amounts include supplemental requirements for southeast Asia, military and civilian pay, and other requirements.

124 SUPPLEMENTAL DEFENSE AUTHORIZATIONS AND APPROPRIATIONS

*Fiscal year 1968 budget review—Summary of Secretary of Defense budget review adjustments by Department of Defense component*

[In millions of dollars]

Department of Defense component	Adjustments to service requested programs	Financing adjustments	Revolving and management fund adjustments	Total adjustments to reduce NOA required
Department of the Army.....	-3,425.2	-299.2	-388.7	-4,113.1
Department of the Navy.....	-7,187.1	-544.4	-----	-7,732.1
Department of the Air Force.....	-4,407.8	-313.7	-156.0	-4,877.5
Defense agencies.....	-206.0	-27.4	-617.0	-850.4
Civil defense.....	-52.4	-----	-----	-52.4
Military assistance.....	.3	-10.0	-----	-9.7
Proposed legislation.....	-42.0	-----	-----	42.0
Department of Defense total.....	15,236.2	-1,194.7	-1,161.7	-17,593.2

*Comparison of Department of the Army request for OSD with President's budget for fiscal year 1968*

[In millions of dollars]

	Service submit to OSD	President's budget	Difference
Military personnel, Army.....	7,986.7	7,870.0	-116.7
National Guard personnel, Army.....	348.2	345.0	-3.2
Reserve personnel, Army.....	328.1	297.2	-30.9
Operation and maintenance, Army.....	8,406.3	7,103.0	-1,303.3
Operation and maintenance, Army National Guard.....	252.6	241.0	-11.6
National Board for the Promotion of Rifle Practice, Army.....	.5	.4	-.1
Procurement of equipment and missiles, Army.....	7,565.0	5,881.0	-1,684.0
Research, development, test, and evaluation, Army.....	1,774.7	1,571.0	-203.7
Military construction, Army.....	652.9	592.0	-60.9
Military construction, Army Reserve.....	12.4	7.2	-5.2
Military construction, Army National Guard.....	15.7	10.0	-5.7
Total, direct program.....	27,343.1	23,917.8	-3,425.3
Financing available for direct program.....	50.0	349.2	-299.2
Subtotal, new obligational authority and adjustments.....	27,293.1	23,568.6	-3,724.5
Revolving and management funds: Army stock fund.....	448.7	60.0	-388.7
Total, new obligational authority and adjustments.....	27,741.8	23,628.6	-4,113.2

*Comparison of Department of the Navy request to OSD with President's budget for fiscal year 1968*

[In millions of dollars]

	Service submit to OSD	President's budget	Difference
Military personnel, Navy.....	4,175.0	4,065.0	-110.0
Military personnel, Marine Corps.....	1,415.5	1,402.0	-13.5
Reserve personnel, Navy.....	117.3	116.1	-1.2
Reserve personnel, Marine Corps.....	38.2	38.3	-.1
Operation and maintenance, Navy.....	5,509.5	4,706.0	-803.5
Operation and maintenance, Marine Corps.....	407.4	395.0	-12.4
Procurement of aircraft and missiles, Navy.....	6,130.0	3,186.0	-2,944.0
Shipbuilding and conversion, Navy.....	3,168.4	1,946.4	-1,222.0
Other procurement, Navy.....	3,453.4	2,524.0	-929.4
Procurement, Marine Corps.....	1,308.3	715.0	-593.3
Research, development, test, and evaluation, Navy.....	2,324.6	1,940.0	-384.6
Military construction, Navy.....	821.1	651.0	-170.1
Military construction, Naval Reserve.....	8.7	5.0	-3.7
Total, direct program.....	28,877.5	21,689.8	-7,187.7
Financing available for direct program.....	15.0	559.4	-544.4
Total, new obligational authority and adjustments.....	28,862.5	21,130.4	-7,732.1

SUPPLEMENTAL DEFENSE AUTHORIZATIONS AND APPROPRIATIONS 125

Comparison of Department of the Air Force request to OSD with President's budget for fiscal year 1968

[In millions of dollars]

	Service submit to OSD	President's budget	Difference
Military personnel, Air Force	5,777.0	5,694.0	-83.0
Reserve personnel, Air Force	73.8	67.7	-6.1
National Guard personnel, Air Force	94.0	85.7	-8.3
Operation and maintenance, Air Force	6,257.4	5,412.0	-845.4
Operation and maintenance, Air National Guard	273.8	267.0	-6.8
Aircraft procurement, Air Force	7,430.5	5,782.0	-1,648.5
Missile procurement, Air Force	1,768.0	1,368.0	-400.0
Other procurement, Air Force	3,433.7	2,562.0	-871.7
Research, development, test, and evaluation, Air Force	3,663.7	3,410.0	-253.7
Military construction, Air Force	898.3	618.0	-280.3
Military construction, Air Force Reserve	7.7	4.4	-3.3
Military construction, Air National Guard	11.2	10.5	-.7
Total, direct program	29,689.1	25,281.3	-4,407.8
Financing available for direct program	120.8	434.5	-313.7
Subtotal, new obligational authority and adjustments	29,568.3	24,846.8	-4,721.5
Revolving and management funds:			
Air Force stock fund	50.0		-50.0
Air Force industrial fund	150.0	44.0	-106.0
Total, new obligational authority and adjustments	29,768.3	24,890.8	-4,877.5

Comparison of Defense agencies request to OSD with President's budget for fiscal year 1968

[In millions of dollars]

	Agencies submit to OSD	President's budget	Difference
Retired pay, Defense	1,968.3	2,020.0	51.7
Operation and maintenance, Defense agencies	1,026.3	966.0	-60.3
Claims, Defense	31.3	30.0	-1.3
Contingencies, Defense	15.0	15.0	-----
Court of Military Appeals, Defense	.6	.6	-----
Procurement, Defense agencies	145.9	48.3	-97.6
Research, development, test, and evaluation, Defense agencies	520.4	477.0	-43.4
Emergency fund, Defense	125.0	125.0	-----
Military construction, Defense agencies	52.4	242.0	189.6
Loran stations, Defense	23.6	3.6	-20.0
Family housing, Defense	889.3	792.0	-97.3
Homeowners assistance, Defense	41.5	31.0	-10.5
Operation and maintenance, Civil Defense	81.1	73.1	-8.0
Research, shelter survey and marking, Civil Defense	82.3	37.9	-44.4
Special foreign currency program	132.7	16.0	-116.7
Military Assistance, Defense	620.7	621.0	.3
Proposed legislation		42.0	42.0
Total, direct program	5,756.6	5,540.5	-216.1
Financing available for direct program	79.9	117.3	-37.4
Subtotal, new obligational authority and adjustments	5,676.7	5,423.2	-253.5
Revolving and management funds:			
Defense stock fund	750.0	133.0	-617.0
Foreign military sales fund	60.0	60.0	-----
Total, new obligational authority and adjustments	6,486.7	5,616.2	-870.5

NOTE.—The above tabulation covers all appropriations not specifically identified in the budget to Army, Navy or Air Force.

NEW OBLIGATIONAL AUTHORITY NEEDED ABOUT APRIL 1

Chairman RUSSELL. All right, sir.

Senator YOUNG of North Dakota. When will the military department need the new obligational authority that is included in the fiscal year 1967 supplemental request?

Secretary McNAMARA. About the 1st of April.

Senator YOUNG of North Dakota. It seems like a sizable reduction in the amount of money requested by the various services.

Secretary McNAMARA. It is.

Senator YOUNG of North Dakota. Will you have to come back here?

#### REDUCTION IN SERVICE REQUESTS FOR 1968

Secretary McNAMARA. No, sir, I don't believe so. I went over every item. I have forgotten the exact figures on 1968, but I will give you some from memory. There were 530 decisions—something like that—that led to the cut of \$25 billion in the 1967 supplemental and the fiscal year 1968 service requests, and of the 530, about, let's say 230, were resubmitted to me for review. Every one of these decisions I sent out to the service secretaries. They are free to resubmit them if they feel that I am making an error.

They submitted about 230 for review. I changed the decision on about 130 and added back about \$1.6 billion I think it was, something like that, and had a net reduction of on the order of \$23.4 billion—after adding back the \$1.6 billion.

#### REDUCTION IN DRAFT CALLS

Senator YOUNG of North Dakota. You plan to have if I remember correctly [deleted] servicemen in South Vietnam at the end of this fiscal year?

Secretary McNAMARA. About [deleted] at the end of this calendar year, and about [deleted] at the end of fiscal year 1968.

Senator YOUNG of North Dakota. Can you take care of those without increasing the draft any? I note for the first 3 months your draft calls only averaged around 10,000 per month.

Secretary McNAMARA. The draft for the first half of 1967, calendar 1967, will be on the order of 101,000 men. For the second half about 120,000, as best we can see it now. That compares with 177,000 and 205,000 for the same periods in calendar 1966. We think that this very substantial reduction from the 177,000 for a 6-month period last year to about 101,000 for a 6-month period this year will fully meet our needs.

Senator YOUNG of North Dakota. And you won't have to extend the 1-year tour of duty?

Secretary McNAMARA. No, sir. All of our manpower plans, with but only a very few exceptions, are based on the basic 1-year tour of duty.

#### SURPLUS OF M-14 RIFLES

Senator YOUNG of North Dakota. It has been brought to the attention of the committee that during the fall of 1966 it was necessary to use 1,500 of the old World War II M-1 rifles due to the shortage of the standard M-14, 7.62 millimeter rifle. Just what is the situation with respect to our supply of the M-14 and the M-16 rifles?

Secretary McNAMARA. We have more M-14's than we need. It is true that for a period of, I think it was, 30 or 40 days last year, some 15,000 M-1's were used by active force troops. The reason was that the M-14 had been bought for the active force, with adequate supplies to replace losses in combat. The M-1 was provided for the Re-

serve Forces, but in distributing the M-14's, some of them went to Reserve Forces, and this meant that as the Army expanded in size, the Active Force for that particular period used M-1's for that number of men.

As soon as it was learned that there had been a maldistribution of the M-14's, that was corrected, and the M-14's were brought back into the Active Force and the M-1's went back to the Reserves.

PURCHASES OF M-16 RIFLES

The reason I say we have a surplus of M-14's is that as we expected, the Army and the Marine Corps have both seen major advantages in the rapid fire weapons. I don't think they are prepared yet to say that they are full substitutes for the M-14, but in many instances they are preferred, and therefore, we are buying large quantities of the M-16.

[Deleted.]

M-16 RIFLE PREFERRED

General WHEELER. That is a correct statement. The M-16 has become the preferred weapon in Vietnam because of its very high firepower as an automatic weapon. In the close country in which the troops are engaged, they depend more on small arms for fire support than is normally the case in infantry operations, where they usually depend on machine guns, mortars, and artillery to a great degree.

[Deleted.]

MANILA CONFERENCE STATEMENT

Senator YOUNG of North Dakota. As I recall, President Johnson said at the Manila Conference that we would be withdrawing from South Vietnam 6 months after a settlement was reached. Is that substantially correct?

Secretary McNAMARA. The Manila Conference statement was very carefully worded, and it wasn't phrased exactly that way.

Senator YOUNG of North Dakota. Let me ask a question that bears on this.

[Deleted.]

Secretary McNAMARA. [Deleted.]

Senator YOUNG of North Dakota. [Deleted.]

[Colloquy deleted.]

USE OF M-16 RIFLE

Chairman RUSSELL. I am going to take the liberty of asking one question about the M-16.

Secretary McNAMARA. Surely.

Chairman RUSSELL. I understand we increased production from about [deleted] a month in January of 1966 to about [deleted] a month in December of 1966. Are we furnishing this weapon to the forces of South Vietnam and Korea?

Secretary McNAMARA. [Deleted].

General WHEELER. [Deleted.]

Chairman RUSSELL. I am not one of the people who think you ought to junk the M-14.

Secretary McNAMARA. I don't think so either, sir.

Chairman RUSSELL. In a different kind of war and a different kind of terrain you might need more range than this M-16 has. Senator Ellender.

Senator ELLENDER. [Deleted.]

Secretary McNAMARA. [Deleted.]

#### FOREIGN POLICY ISSUE

Senator ELLENDER. Suppose we should decide to take in the Vietcong around the table, and Ky should object to it. What would be our position?

Secretary McNAMARA. Senator Ellender, I don't wish to evade your question but I think that is a foreign policy issue and I would prefer to ask the Secretary of State to appear before you and answer.

Senator ELLENDER. But you are in the midst of all of this. The State Department and the Secretary of Defense are handmaidens. You are working together. That is one thing that I objected to from way back, that the State Department and the Defense Department should have wedded, and that is what has happened. You all work hand in hand.

Secretary McNAMARA. I try to recognize the responsibilities of the Secretary of State and mine, and each of us tries to stay out of the other's area of responsibility, and that is why I would recommend that he answer the question rather than me.

#### SUPPORT OF KOREAN FORCES

Senator ELLENDER. In answer to the question by Senator Dominick, as I recall, you said that you didn't have the pay for the Korean soldiers in this budget. How are they paid? Who pays them?

Secretary McNAMARA. The basic pay for the Korean soldiers comes from the Korean Government.

Senator ELLENDER. What is it we pay in addition to that?

Secretary McNAMARA. We pay for the equipment costs and for the consumables, the supplies that they consume—ammunition and other types of supplies in South Vietnam.

Senator ELLENDER. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

Senator ELLENDER. Will you supply all of that for the record?

Secretary McNAMARA. Yes; I will be very happy to, sir.

(The information requested is classified and was furnished separately to the committee.)

Senator ELLENDER. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

Secretary McNAMARA. Again, we are getting into areas that the Secretary of State should respond to and I would rather not.

#### MILITARY MISSIONS

Senator ELLENDER. I would like to have Mr. Rusk here, Mr. Chairman. Let us have them here together. It is my belief that there has been a merger of the State Department and the Defense Department, which I feel is bad for our country.

I have just returned from South and Central America. We have there now, and I am going to do all I can to try and do away with them, military missions known as MAAG's. They are going to lead us to trouble in time to come, and our very trouble that is occurring in South Vietnam now, and that occurred between Pakistan and India has resulted in my opinion from the fact that we have these military missions abroad. I fear that if we keep those over there and let them give advice, we are in for trouble.

I don't want to take any more time.

Chairman RUSSELL. You have about a minute and a half.

#### BOMBING OF MILITARY TARGETS

Senator ELLENDER. Did I understand your description of the targets that we are prohibited from attacking, to be nonmilitary?

Secretary McNAMARA. No. Certain of the targets that require Washington decision are military targets in sensitive locations.

Senator ELLENDER. Are there any targets wherein military production is going in North Vietnam that we are not bombing?

Secretary McNAMARA. [Deleted.]

Senator ELLENDER. Are there any munition factories there that you know of that we are not bombing?

Secretary McNAMARA. I would say "No." [Deleted.] Basically, there are very few military targets against which strikes are restricted at the present time.

#### ESTIMATED NUMBER OF VIETCONG SOLDIERS FROM NORTH

Senator ELLENDER. Just one more question, Mr. Chairman. Of the 275,000 Vietcong soldiers that we discussed yesterday, how many of those would you estimate came from North Vietnam?

Secretary McNAMARA. I can't give you a good estimate. I can give you the numbers that have come down by year from the north, but how many of the numbers that have come down by year have been killed and how many survived is very difficult, if not impossible for us to guess.

We estimate that something on the order of [deleted] percent of the National Liberation Front force of about 230,000 men came from the north, and 100 percent of the 45,000 North Vietnamese force came from the north.

Senator ELLENDER. As I recall, when we discussed the matter 2 or 3 years ago, we had in excess of 500,000 North Vietnamese to come to South Vietnam without proper screening, during the years 1957 and 1958, I think. Do you recall the discussion along that line?

Secretary McNAMARA. I don't remember your mentioning, nor do I think 500,000 came down in 1957 and 1958. I believe that about 900,000 came down shortly after the Geneva accords of 1954, and I don't think there was any screening to speak of at that time.

Senator ELLENDER. There was none?

Chairman RUSSELL. Senator McClellan.

Senator McCLELLAN. How long do you want to continue, Mr. Chairman?

Chairman RUSSELL. We are going on for about 30 minutes.

Senator McCLELLAN. Very well. I just have two or three questions.

Chairman RUSSELL. You have 10 minutes, sir.

## AREA AND PEOPLE CONTROLLED BY VIETCONG

Senator McCLELLAN. I have two or three questions at the moment. Mr. Secretary, just one question that has been raised here about the area or amount of geography that is controlled by the Vietcong, and also the percentage of the people. Did you say the figures that had been given us here were inaccurate as to both?

Secretary McNAMARA. No, sir. I said yesterday that I believe one of the members of the committee commented that he believed about [deleted] percent of the territory, or he had been told that about [deleted] percent of the territory and some [deleted] percent of the people were controlled by the South Vietnamese Government. I said I thought that was about as accurate a statement as could be made at the present time, although it is very difficult to measure either control of territory or control of people. But I also pointed out that one should not then go on to say that the complementary figures, that is [deleted] percent of the territory and [deleted] percent of the people, are controlled by the Vietcong, because that is not correct. Rather, there is a high percentage of both territory and people controlled effectively neither by the Government nor by the Vietcong.

Senator McCLELLAN. If we simply resolved the conflict on the basis of holding existing lines, would they be so defined? Could they be defined?

Secretary McNAMARA. No, sir.

Senator McCLELLAN. They could not be defined so you would know?

Secretary McNAMARA. No, sir.

Senator McCLELLAN. They are so fluid now.

Secretary McNAMARA. That is correct. There is no recognition of existing lines, and no way to define them that I know of.

## MILITARY IMPLICATIONS OF ESTABLISHING AN ENCLAVE

Senator McCLELLAN. We have the suggestion from time to time that we simply stop fighting and draw a line of demarcation somewhere. It is suggested that we get in a corner, in an enclave, and say here we are going to stand, you can't drive us out.

Now what would be—I ask this quite seriously—what would be the consequences of such tactics or strategy, whichever term is proper, with respect to both our military position, whether it be tenable or not, and also with respect to the political impact?

Secretary McNAMARA. Well, may I ask General Wheeler to comment on the military implications, because this is a subject the Joint Chiefs have examined?

Senator McCLELLAN. This may have been answered.

Secretary McNAMARA. No, sir; it hasn't been answered.

Senator McCLELLAN. It may have been answered previously. We hear more about that all the time, and I would like to be well informed as to the position.

Secretary McNAMARA. It hasn't been answered recently, Senator McClellan.

Senator McCLELLAN. All right, General.

General WHEELER. Senator, from the military point of view, I believe that this would be practically a suicidal course of action.

Senator DOMINICK. Will you talk a little louder, General. I can't hear you.

General WHEELER. From a military point of view, to hole yourself up in enclaves around the country would be a suicidal course of action. You would give the initiative, which is very important in the pursuit of military victory, to the enemy. He would be able to move at his volition, mass his troops at any place he cared to, and attack you; and, in the long term, he would bleed you to death, and you would have no way in which to cope with the situation.

Senator McCLELLAN. It precludes any maneuverability, does it not?

General WHEELER. That is correct, sir.

Senator McCLELLAN. In other words, you could never keep the enemy off balance with any prospect of surprise. There would be no element of surprise left.

General WHEELER. Except on his side.

Senator McCLELLAN. I mean on our side.

General WHEELER. Moreover, Senator, we would give up one of our greatest assets over there; that is, our mobility and the ability to move our firepower—our artillery and our air—against the enemy when we located him.

Senator McCLELLAN. That would permit him to build up for an attack, where we couldn't interdict his plans and interrupt them.

General WHEELER. That is correct.

Senator McCLELLAN. The assumption is that we would fall back to one little area and say, "We are going to build a fortress here, we are going to stay here, you can't drive us out."

General WHEELER. That is correct, sir. We can even look back at the Battle of Dienbienphu and recognize that in a sense the French were trying to establish an enclave which they were going to hold in any event against the enemy. You know the results of that particular battle.

Senator McCLELLAN. You think such a course would be fatal to our objectives there?

General WHEELER. I believe so.

Senator McCLELLAN. Mr. Secretary, would you give us a comment on the political consequences?

#### POLITICAL CONSEQUENCES

Secretary McNAMARA. I think they flow from the fatal military consequences. It would destroy, I believe, the chances of an independent South Vietnamese state surviving.

Senator McCLELLAN. Very well. Any further comment on that by either of you?

Secretary McNAMARA. No, sir.

Senator McCLELLAN. Mr. Chairman, I will yield the balance of my time. Some others here may want to ask a question or two before you recess until tomorrow.

Chairman RUSSELL. We now have heard from two Democrats, Senators Ellender and McClellan. Senator Smith?

Senator SMITH. I pass, Mr. Chairman.

Chairman RUSSELL. Senator Allott?

#### RESTRICTIONS ON BOMBING OF NORTH VIETNAM

Senator ALLOTT. Mr. Secretary, do I understand, before I was able to get in this morning, that you are going to place in the record an

explanation of the bombing policies and decisions where the relevant decisions and policies are made?

Secretary McNAMARA. I think before you came in I gave orally the restrictions on present bombing of North Vietnam.

[Deleted.]

Senator Thurmond then asked if the committee could make some arrangements, so that from a historical point of view, this information would be available. The chairman, I understand, will consider them and instruct me how he wishes me to handle it.

#### PRODUCERS OF M-16 RIFLES

Senator ALLOTT. All right, I will not take up the time of the committee. There are several different items here.

How many producers of the M-16 do we now have in this country?

Secretary McNAMARA. The rifle was developed in its final stages by Colt, I believe, and I have asked, because of the large production that we anticipate will be required, that we bring another producer in, and we either have done so or are engaged in doing so. I can't give you the exact status of it now. I will furnish it for the record.

(The information requested is classified and was furnished separately to the committee.)

[Deleted.]

Senator ALLOTT. That is all I need to know. Up at the present time or substantially at the present time it was one?

Secretary McNAMARA. That is correct, the company that developed the weapon.

#### STATUS OF CAM RANH BAY AIRFIELD

Senator ALLOTT. When we were in hearings last year in the fore part of the summer, at that time Cam Ranh Bay was not operable. When did it become operable?

Secretary McNAMARA. Well, over a period of time. As a matter of fact, I know that a year ago last June it was beginning operations. General Wheeler and I were there at that time. And it has become increasingly operational since that time.

Senator ALLOTT. Is it fully operational now?

Secretary McNAMARA. I think you would say so, Bus, wouldn't you?

General WHEELER. I don't know what you mean by "fully," Senator. I was there the other day. They still have some additional covered storage to put in. They are still putting in some additional POL facilities, and there is one more dock to go in, but substantially it is finished.

Senator ALLOTT. As of June last year, if my memory is correct, it was just starting to become operational.

General WHEELER. It was coming into useful operations at that time.

Secretary McNAMARA. A year ago.

General WHEELER. A year ago; that is correct.

Senator ALLOTT. Not a year ago last June?

Secretary McNAMARA. Yes. General Wheeler and I were there a year ago June. Actually it was late May.

Senator ALLOTT. It was commenced in May 1965?

Secretary McNAMARA. That is correct, and we were there in June.

General WHEELER. 1966.

Secretary McNAMARA. No; it was June of 1965. General Wheeler and I were there at the time, and that is when he said it was becoming operational. We weren't there in June of 1966. It was June of 1965 that we were there. You are quite right in saying it started in May. The remarkable thing was they were beginning to use it within 60 days after they moved in there. I think even today it lacks—is the second runway in operation?

General WHEELER. The second runway has not been finished.

Secretary McNAMARA. I think it lacks operational use of the second runway.

#### NUMBER OF SAM MISSILES FIRED AND AIRCRAFT LOST

Senator ALLOTT. You gave us some figures yesterday, Mr. Secretary, on the number of missiles, SAM missiles, that had been fired, and the number of plane casualties.

Secretary McNAMARA. General Wheeler pointed out to me, after we left that I had understated the number fired. I think I said it was [deleted]. What did you say it was, Bus?

General WHEELER. It was [deleted], so it is up about [deleted], and we have lost [deleted] aircraft.

#### OPERATIONAL SAM SITES

Senator ALLOTT. [Deleted.] I am glad to have those new figures. Now how many operational SAM sites? Last year you indicated there were [deleted] sites in North Vietnam, and [deleted] of these were occupied. What would you say the situation is today?

General WHEELER. [Deleted.]

Senator ALLOTT. And what would this figure be of the operational sites at a given time?

General WHEELER. About [deleted] probably.

Senator ALLOTT. A little higher than last year?

General WHEELER. A little higher than last year, but not remarkably so.

#### REDUCTION IN DRAFT CALLS

Senator ALLOTT. Now I have only one brief question for the Secretary. I enjoyed your briefing last night and enjoyed your charts particularly on the levels of personnel, Vietcong and North Vietnamese.

I was perturbed, in driving to the White House last night, to hear you say that we were going to reduce the draft, and that there would be no further expansion or need for further expansion. Don't you believe that in the present context of things, you are taking a considerable risk psychologically with the people of this country to offer what might be—I don't say that it is going to be—I hope it isn't a false hope, that it may be a false hope? I am sure you had your reasons for making this announcement at this time, but it concerns me greatly.

Secretary McNAMARA. I think that at any given date we should, within the limits of security, inform the public of what we are doing. The fact is that the draft calls are off dramatically, and we are constantly questioned about this. "Isn't it a unique month," for example, "perhaps having something to do with the holidays, that the

draft call for December was down, and isn't it unlikely that the draft calls will be continued at that reduced level?"

We have to say, "We won't answer," or, "We don't know," or tell them the facts. The truth is that as best we can tell, the draft calls for the first 6 months of this year will average around 101,000, and under our normal procedure with the Selective Service System we give them our estimates of the draft calls about 60 days ahead of time. So these calls for February and March are already filtering out to the public.

I was asked a question, I think as I went out of here yesterday afternoon, on this subject, and I replied that the draft calls in the first 6 months of the current calendar year would be down substantially from the first half of last year and the second half of last year, and I think this is almost a certainty.

Now what the psychological effect of this will be, is something to be considered, but in my opinion it is likely to be favorable. Even if it were unfavorable, I don't think we can withhold information of this kind from our public.

Chairman RUSSELL. Senator, I am sorry, you have run over a little bit.

Senator ALLOTT. You really push that clock around. Thank you very much.

Chairman RUSSELL. Senator Symington?

#### COST OF WAR

Senator SYMINGTON. Thank you, Mr. Chairman.

Mr. Secretary, yesterday I was disturbed by an answer you gave about the cost of this war. First, let me again congratulate you on the superb job you do in testifying before us; and the knowledge of all these matters that you have.

I spoke about the cost of the war. Now I note that Robert V. Roosa, former Under Secretary of the Treasury, the man who worked out that clever method about the short-term bonds which ostensibly helped us with our balance-of-payments problem. Now he is warning us against euphoria, pointing out that there was further deterioration in the balance of payments during 1966. He predicts that 1967—and this is a quote—"could be a crucial year for the dollar."

The editorial in which he is quoted goes on:

The National Foreign Trade Council also feels that the deficit will show a substantial worsening in 1967, which could lead to increased foreign pressure on the Nation's gold supply.

I have looked at the deficit figures in the statement that is being given us tomorrow.

#### INFILTRATION OF NORTH VIETNAMESE INTO SOUTH VIETNAM

With those premises, I want to again get into this question of the infiltration. This is getting to be, very heavily, an Army and Marine war. Nobody has greater respect for the Army and Marines than I do, but I don't think it can be a purely ground war, not using our Air Force's air power and our naval and naval air power without going broke. It is a fact that we are in a major ground war on the Asian mainland today.

I think I am correct in saying that we have more people today in South Vietnam than we had in Korea. And with all due respect to our high gross national product, as mentioned yesterday, I don't think the GNP is infallible proof that we have a sound fiscal and monetary position. On that I am supported by economic experts who know a lot more about it than I.

When in Saigon I presented to General Westmoreland and his Staff a short statement to the effect that when I was there a year ago last December 28th, we were told in Saigon 4,500 trained Vietnamese were infiltrating into South Vietnam each month; and that if we continued the kill ratio prevalent on that date, the North Vietnamese could not provide new infiltration, primarily because of the time required to train replacements; that is, could not be exceeding 4,500 by now.

At that time, December 1965, we were also told that this determination was based on (1) North Vietnamese manpower, (2) training bases, (3) order of control, (4) unit equipment, (5) capacity of infiltration system, and (6) infiltration history.

#### CAPACITY OF NORTH VIETNAMESE TO INFILTRATE NEW TROOPS BY DECEMBER 1966

With the above as premise, we were then told that the capacity of the North Vietnamese to infiltrate new troops into South Vietnam by December 1966, could not exceed 4,500 per month. The premise to this finding was that the attrition of the North Vietnamese would continue on a straight line projection.

I was worried about this out there over a year ago, in fact, argued with J-2 out there at that time. His colonel and my escort officer were classmates. They went at it. We couldn't see it. Later I had still another meeting with the general in charge of J-2; and we finally agreed to disagree. It was pleasant, but I could not buy his position.

#### INCREASE ON ESTIMATED RATE OF INFILTRATION

Now the rate of infiltration given us this time was 7,000 per month; so it was understated the year previous by over 35 percent. That was a minimum figure they said this time. But these figures were disagreed with at CINCPAC and here.

We have somewhat relaxed our target license in North Vietnam. It seems to me that if the figure of infiltration—this is my point—if this figure had been given to us with more accuracy, we would have utilized more normally our air power and our sea power, in an effort to get this thing over with, because I do not agree with your stated position yesterday, namely, that we can afford the high current cost of this war "forever."

I think the cost of the war is getting the economy down. That is primarily what I had on my mind this morning; and I would appreciate your comments.

#### LEVEL OF INFILTRATION

Secretary McNAMARA. Yes, sir, I will be happy to. So far as the balance-of-payments problem is concerned, I will cover that in my fiscal 1968 statement, and perhaps I should defer further discussion

of that until tomorrow, and concentrate on the question of the level of infiltration and possible means of stopping it.

I think it is correct to say that it was the estimate of MACV a year ago that the level of infiltration was then approximately 4,500 and would probably continue at that rate. I know that I think I made that statement before this committee about that time.

Now what the level of infiltration was during 1966 is not clear yet, and won't be for some additional time. I, too, have read the estimates you refer to of rates of 7,000 or 8,000 a month on the average. I am rather skeptical that it amounted to that much on the average during 1966.

My own guess is it was much closer to 4,500 than it was to 8,000, and I mean very much closer to 4,500.

#### LEVEL OF FORCES OVERESTIMATED

But I think that the important figure from this point of view is not really the level of infiltration, but the level of forces, and I think MACV, if anything, overestimated the level of North Vietnamese and Vietcong forces that he would face at the end of 1966. [Deleted.] General WHEELER. [Deleted.]

#### INACCURACY OF INITIAL INFILTRATION ESTIMATE

Senator SYMINGTON. All I know is what they told me, the same room, the same people, in December 1965; what would happen in December 1966. Then they told what had happened, in the same room in December 1966; and it was at least 35 percent off.

I asked them to explain this and they sent me a telephone book.

I would like a simple answer as to why this mistake was made, if it was a mistake. Maybe they were wrong both times.

Secretary McNAMARA. May I say four things? First I think they probably told you two things a year ago. First, that the infiltration would be around 4,500 a month and, second, that the VC-North Vietnamese strength would increase throughout the year.

Senator SYMINGTON. They said that the infiltration could not be more than 4,500 a month. I objected and the report I sent to Senator Russell, a copy to you, devoted six pages to this objection.

Secretary McNAMARA. In any case they made two points. One was on the infiltration. The other was level of force.

Now according to their own figures, they are definitely wrong on one of them. Their own figures are that they had an infiltration of say between 7,000 and 8,000, instead of 4,500. I myself am very skeptical of those, and I frankly can't throw any light on them because I have examined the basis for it, and I don't think they are in a position yet to estimate it.

There is a substantial lag in this sort of data. They don't have it yet for the year. The figures were very erratic during the year. There are many signs that the rate of infiltration has fallen off in the last 90 days. So for all these reasons, I think they are not yet in a position to answer your question.

On the second point [deleted].

Senator SYMINGTON. That is right.

Secretary McNAMARA. [Deleted.]

## USE OF ADDITIONAL AIR AND NAVAL POWER

Finally I would say that I don't believe—and I want Bus to express his opinion on this, it might differ from mine—I don't believe any amount of bombing, within practical limits, of North Vietnam would have substantially reduced whatever the actual infiltration was. These would be my responses.

Senator SYMINGTON. Mr. Chairman, I can't agree with the last part. All the first part the Secretary knows better than I.

Based on what I saw out there, if we had used more of our air power and our naval power we would certainly have stopped a great deal more arms, and ammunition and people coming down the Ho Chi-Minh and Sihanouk trails.

Secretary McNAMARA. Without arguing whether we should or shouldn't have bombed more, I would like Bus to express his judgment whether I will say "unlimited" bombing within practical limits would have significantly affected the—

## BOMBING OF MORE SIGNIFICANT TARGETS

Senator SYMINGTON. I am not talking about unlimited bombing. All I am talking about is bombing more significant military targets. I am not talking about unlimited bombing.

Secretary McNAMARA. I did not mean to mischaracterize it, but within practical limits I mean the same thing you are talking about, practical bombing above what we did. Would it have affected the level of infiltration in 1966 in any significant way? I don't believe so. I would like you to hear from General Wheeler.

Chairman RUSSELL. Senator Symington's time has long since expired, but we will let General Wheeler respond to this.

## EFFECT OF BOMBING IN NORTH VIETNAM AND LAOS

General WHEELER. I will say this: I don't think it would have affected the men because they can sift through on numerous trails, and they are almost impossible to stop if they have the will to keep going.

I do believe, as I said yesterday, that our bombing in North Vietnam and against the infiltration routes [deleted] has reduced the level of materiel supplies which are moved from North Vietnam into South Vietnam.

I cannot give you any figures on this. I also have the feeling that the reason we don't have the [deleted] combat battalions in South Vietnam that were anticipated [deleted] last year, the reason that we don't see a larger buildup of North Vietnamese troops in South Vietnam, is a measure of the effectiveness of our bombing campaign to date. This is about the best I can do with that one.

Senator SYMINGTON. Thank you, Mr. Secretary.

Thank you, General.

## COMMITTEE RECESS

Chairman RUSSELL. The committee will now go into recess. We have some business on the floor this afternoon which would make it difficult for the committee to meet with any continuity, so we will recess until 10 o'clock tomorrow, and we will be back in the New Senate Office Building.

Senator THURMOND. Who will be the first Senator questioning tomorrow?

Chairman RUSSELL. The first one will be Senator Jackson, and that makes two Democrats on that side, and then Senator Thurmond.

(Whereupon, at 12:30 p.m., Tuesday, January 24, 1967, the committee was recessed, to reconvene at 10 a.m., Wednesday, January 25, 1967.)

**SUPPLEMENTAL MILITARY AUTHORIZATIONS AND  
DEFENSE APPROPRIATIONS FOR FISCAL YEAR 1967**

WEDNESDAY, JANUARY 25, 1967

U.S. SENATE,  
COMMITTEE ON ARMED SERVICES,  
AND SUBCOMMITTEE ON DEPARTMENT OF DEFENSE  
OF THE COMMITTEE ON APPROPRIATIONS,  
*Washington, D.C.*

The Committee on Armed Services and the Subcommittee on the Department of Defense of the Committee on Appropriations, met in joint session at 10:05 a.m., in room 1224, New Senate Office Building, Hon. Richard B. Russell (chairman) presiding.

Present: Senators Russell, Ellender, McClellan, Symington, Jackson, Ervin, Cannon, Byrd of West Virginia, Young of Ohio, Byrd of Virginia, Young of North Dakota, Thurmond, Miller, Pearson, and Dominick; also present: Senator Javits.

Of the staff of the Committee on Armed Services: William H. Darden, chief of staff; T. Edward Braswell and Gordon A. Nease, professional staff members; and Charles B. Kirbow, chief clerk.

Of the staff of the Committee on Appropriations: William W. Woodruff, assistant chief clerk to the committee; Francis S. Hewitt, clerk to the subcommittee; Vorley M. Rexroad, professional staff member, and Joseph L. Borda, minority counsel.

**DEPARTMENT OF DEFENSE**

**OFFICE OF THE SECRETARY**

**STATEMENTS OF HON. ROBERT S. McNAMARA, SECRETARY OF  
DEFENSE, AND GEN. EARLE G. WHEELER, U.S. ARMY, CHAIRMAN,  
JOINT CHIEFS OF STAFF**

**MEKONG DELTA OPERATION**

Chairman RUSSELL. The committee will come to order. Senator Jackson.

Senator JACKSON. Mr. Secretary, I am a bit concerned about our moving into the delta. I guess everyone is concerned about it. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

Senator JACKSON. What is your feeling about that?

Secretary McNAMARA. May I ask General Wheeler to respond, Senator Jackson? He has just returned from there and discussed this with General Westmoreland.

General WHEELER. [Deleted.]

Senator JACKSON. [Deleted.]

The other thing that concerns me about going into the delta, and this goes to the fundamentals of the matter, is that this area involves about 38 percent of the population.

General WHEELER. Roughly that.

Senator JACKSON. Approximately.

General WHEELER. It is a heavily populated area, although the population is concentrated within certain regions in the delta. It is not spread uniformly across the delta, as you know.

Senator JACKSON. I would hope that ARVN could carry the main burden with the support that we are now giving through our advisory assistance program. [Deleted.]

General WHEELER. [Deleted.]

Senator JACKSON. No; it is a brigade.

General WHEELER. A brigade. [Deleted.] I know that the revolutionary development pacification programs do call for extensive use of the ARVN in all of these operations, so I feel that General Westmoreland's analysis of the problem and his proposed course of action are prudent, and will be on a basis which will permit him to change the direction, the size, or the type of the operation as he goes along.

#### ELECTRIC POWER FACILITIES IN NORTH VIETNAM

Senator JACKSON. Turning to the north, what percentage of the electric power facilities have we knocked out?

Secretary McNAMARA. I think it's about [deleted] percent, Senator.

Senator JACKSON. That one raid—I think you said [deleted].

Secretary McNAMARA. That is right.

Senator JACKSON. As of now, is it back in operation?

Secretary McNAMARA. No, sir; I don't believe so.

Senator JACKSON. It isn't?

Secretary McNAMARA. I don't believe so.

Senator JACKSON. So currently, you would say about [deleted] percent.

Secretary McNAMARA. About [deleted] percent.

Senator JACKSON. What prevents us from going after the other power facilities?

Secretary McNAMARA. [Deleted.]

Senator JACKSON. But wouldn't it have a substantial indirect effect on the operations to the south?

Secretary McNAMARA. [Deleted.]

Senator JACKSON. [Deleted.]

It seems to me that it's going to compound their problem in the operation of their government, and it would take resources away from those they are utilizing in the south.

Secretary McNAMARA. [Deleted.]

## PETROLEUM IN NORTH VIETNAM

## STORAGE FACILITIES

Senator JACKSON. Turning now to petroleum, what percentage of existing storage facilities have we knocked out?

Secretary McNAMARA. You say the existing—let me include in that all the facilities that were available at the start of the campaign, plus those that have since been added.

Senator JACKSON. Right.

Secretary McNAMARA. And we have knocked out about 55 to 60 percent. There is 40 to 45 percent remaining.

Senator JACKSON. And where is the 40 to 45 percent located?

Secretary McNAMARA. It is scattered all over the country.

Senator JACKSON. Mostly underground now?

Secretary McNAMARA. There are a few remaining concentrations above ground, but not very many, and the rest is not so much underground, although some is, as it is scattered in small dumps above ground. Many of the dumps actually are in populated areas.

The best estimate we have, and I emphasize it is only an estimate, is that they have over [deleted] days supply on hand, perhaps closer to [deleted] than [deleted] days.

## BACKLOG AND CONSUMPTION

Senator JACKSON. That is a rather substantial backlog.

Secretary McNAMARA. Yes. The stock on hand was on the order of about [deleted] metric tons when we began a concentrated campaign at the end of June. We think we reduced it to perhaps as low as [deleted] metric tons in the 2 or 3 months after the attacks began, during which time they had not yet modified their importation techniques. But since we destroyed the docks at Haiphong and the receiving facilities, they weren't able to use the same method of unloading as they had previously. It took them 2 to 3 months to develop a new technique, and during that period of time the imports dropped very substantially, and that is why the stocks dropped as much as they did.

To put the [deleted] tons that remained at the end of August into perspective, I should tell you that they consume, we think, about [deleted] tons a month. So even at the low point, they had about [deleted].

## IMPORTATION BY BARGES

Since that time, the stocks we believe have built back up again to something on the order of [deleted] tons today—roughly, say [deleted] days supply—and this because they have, starting in August, and increasingly since that time, unloaded into barges under the cover of darkness. [Deleted.]

Senator JACKSON. They are lightering them in by barge from the tankers out in the stream.

Secretary McNAMARA. That is correct.

## NAVAL BOMBARDMENT

Senator JACKSON. Mr. Secretary, I want to associate myself with the remarks of the chairman, I believe it was yesterday, regarding naval bombardment. [Deleted.]

Secretary McNAMARA. [Deleted.]  
[Colloquy deleted.]

## COMMENDATION ON TALK MRS. MCNAMARA

Senator JACKSON. Mr. Secretary, on another side, I just want to compliment your wife. I thought she gave a very good talk yesterday.

Secretary McNAMARA. Thank you very much. It's taking both members of the family I should say to respond to the critics.

Senator JACKSON. She made a lot of sense. I think she went to the heart of the problem on the question of our will, and staying to the course, which is a fundamental problem.

Secretary McNAMARA. Thank you very much, sir.

## QUESTIONS SUBMITTED BY SENATOR STENNIS

Chairman RUSSELL. Senator Stennis must attend another meeting this morning, and he requested unanimous consent to file questions concerning this supplemental appropriations bill, to be answered on the record by the Secretary of Defense, and without objection that permission will be granted.

Secretary McNAMARA. I will be very happy to do so.

(The questions and answers follow:)

## RVN MILITARY CARGO (DOES NOT INCLUDE AID)

Question. Has the ship-unloading problem improved to any degree since you last testified before this Committee?

I also speak in particular about the port of Saigon.

Answer. There has been a considerable improvement in the ship unloading and the discharge of military cargo in the Republic of Vietnam. U.S. military cargo is now moving into Vietnam through 12 ports at a rate of 27,000 short tons per day. At this rate of discharge the backlog awaiting unloading amounts to about eight to nine days. As of December 3, 1966 there were 78 deep draft ships working or holding in port, compared with 122 on November 26, 1965. But on December 3, 1966 only 27 of the 78 ships were waiting or holding, the other 51 were being unloaded. In contrast, on November 26, 1965, only 32 ships were being unloaded and 90 were waiting or holding. These figures illustrate the tremendous progress we have made during the last year.

The current daily discharge capability in RVN is more than double that of November 1965 and about 60% higher than our capability last February. In the case of Saigon there has been about a 50% increase in the daily discharge capability over that of November 1965. The capability of the RVN ports will continue to increase each month through the rest of the current fiscal year and is adequate to meet the forecast of requirements, although there will of course be day-to-day and week-to-week fluctuations in actual discharge rates and the numbers of ships working, waiting or holding.

## BANGKOK, THAILAND, COMPUTER INSTALLATION

Question. Mr. Secretary, why was it necessary to put an expensive computer in Bangkok, Thailand, for construction purposes at a yearly cost of \$1,029,232? My information indicates that total productive time on this computer since 10 August 1966 to 1 December 1966 was only 173.1 hours.

Answer. Installation of a computer in Bangkok was required to provide support to the two Cost Plus Award Fee (CPAF) contractors in Thailand. The

magnitude of this construction effort and its urgency require computer assistance. This computer is operated on a subcontract basis to the construction contractors.

Computer support for the two Thailand CPAF contractors includes payroll processing, material inventory, equipment inventory, accounting information, critical path network planning and scheduling, and construction progress information. At the time of installation of the Bangkok computer, there was no computer installation in Thailand which had the capability to provide this support.

Although production time of the Bangkok computer has been reported as only 173.1 hours, 489.3 hours of computer time, not normally reported, were used for program compilation, testing, and debugging, for a total time of 662.4 hours. Total utilization for the period is just slightly in excess of prime rental requirements. Productive use time will increase, however, and the experience reported to you is typical of any computer installation when operations are converted from manual to computer-assisted systems.

An added benefit of this system is the back-up for the Saigon computers to overcome the threat of loss due to accident or enemy action and the vital necessity for continuing, without significant time loss, the minimum functions of payroll and material inventory for the Vietnam CPAF contract. The Vietnam operation involves a 44,000-man payroll and an inventory of approximately \$87 million in support of construction. These two facts make the back-up requirement compelling. The one-hour flying time to Bangkok from Saigon would make such back-up support feasible. The particular computer selected for Bangkok is compatible with the Saigon computers.

#### VIETNAM CONSTRUCTION

Question. Mr. Secretary, are you making plans for the phase-down in construction in Vietnam after this calendar year?

Answer. The current tempo of construction being performed by civilian contractors and military engineer troops will continue through the rest of this Calendar Year. Based upon current estimates, we would expect to begin to phase down the contractor effort during Calendar Year 1968. [Deleted.]

#### NEWPORT, SOUTH VIETNAM, CONSTRUCTION

Question. Mr. Secretary, the so-called "new port" that is being built by the military in north Saigon has run into some engineering problems and the plans have been changed six times. Are you satisfied with the progress of this project?

What are the current working estimates of the costs?

Answer. I think the progress of construction of Newport is excellent. Newport is a large and complex project involving difficult engineering problems because of poor soil and foundation conditions. The current working estimate is approximately \$69 million.

The original plan for Newport did undergo a number of changes, some of which were engineering and structural changes brought about by site conditions; others were conceptual changes brought about by changed requirements.

Construction commenced in April 1966 and by October 1966 LCM and LST ramps, plus 1,300 feet of marginal barge wharf, were completed and in use. The first deep draft wharf will be completed in early February. The three remaining deep draft wharfs will be completed at two month intervals thereafter.

#### CAM RANH BAY BRIDGE

Question. Mr. Secretary, there is under consideration a project in South Vietnam to build a bridge from the peninsula of Cam Ranh Bay over to the mainland. Our information is that the bridge will cost \$11 million. Have you personally checked the cost estimates for this bridge?

Answer. I have not personally checked the cost estimates for the Cam Ranh Bay bridge.

Several studies have been made to determine the most economical design. A complete design is presently in progress. The prefabricated steel pipe concept that proved so successful, in time and cost, for the two jacketed pile piers in Da Nang will be adapted for the Cam Ranh Bay bridge. The bridge will be a combination railroad and highway bridge approximately 1400 feet long.

Although the design is not complete, the program cost estimate is \$8.4 million. An additional \$3.0 million is programmed for the railroad track to connect the bridge with the main rail line and for road approaches.

#### RMK-BRJ CONSTRUCTION RATES

Question. Mr. Secretary, are you satisfied with the overhead rates for construction charged by the RMK-BRJ construction combine?

Answer. Finding a basis for comparison is difficult since construction by a civilian contractor in an undeveloped area and in a war zone is unique in many respects. Nevertheless, the general overhead rate for RMK-BRJ was reduced from 26.6 percent to 14.2 percent during 1966 as a result of a concentrated effort to cut costs and improve operational efficiency, which is continuing.

#### SOUTHEAST ASIA MILITARY CONSTRUCTION

Question. Mr. Secretary, will the \$624,500,000 asked for in this supplemental bill take care of the military construction needs for Southeast Asia for this calendar year, or will you be coming in for more money in the regular construction bill for fiscal year 1968?

Answer. We do have a requirement for more money in addition to the \$624,500,000 being requested in the FY 1967 Supplemental.

In reviewing these requirements it was determined that although essential, certain items could be phased to a later date. These items therefore were deferred to the FY 1968 Military Construction Program and total \$314 million of which \$200 million is for worldwide contingencies and \$114 million is for specific projects.

#### WORLDWIDE BULK FUEL STORAGE

Question. Mr. Secretary, in previous supplemental appropriation bills before this committee for military construction, there have been large amounts for bulk fuel storage. I also believe there is some money in this bill for fuel storage. I speak in particular of the Philippines [deleted] and Taiwan.

Is there a special program being carried out by the Department of Defense for worldwide bulk fuel storage?

Answer. There is no special program being carried out by the Department of Defense for worldwide bulk fuel storage. Bulk fuel storage is dealt with on a case by case basis as requirements are validated based on Secretary of Defense logistics guidance.

#### MILITARY ASSISTANCE COMMAND, VIETNAM, BUILDING AND OPERATIONAL HEADQUARTERS COMPLEX

Question. Mr. Secretary, in South Vietnam, outside Saigon at Tan Son Nhut Air Force Base, a headquarters building and compound is being built for the Military Assistance Command, Vietnam, costing \$27 million. The main headquarters building is composed of 320,000 square feet. Our information is that this prefab building—trade name, "Soule Building," made in California—is to cost \$19 million. According to my figures, the cost of the building would be approximately \$60 per square foot. Isn't this a little high in cost per square foot?

Answer. The MACV Headquarters was designed to austere standards using two-story metal prefabricated buildings. It is an administrative building and operational headquarters complex including [deleted] a barracks and messhall for 900 enlisted men, a 500-man auditorium, working spaces for 1,893 people, and associated warehousing to support the complex. Local utilities are inadequate making it necessary to include water, electrical and sewage systems. Security fencing and a telephone exchange building are required.

The current MACV headquarters will vacate 13 administrative facilities scattered over downtown Saigon and Cholon, and many facilities presently used for billeting will be returned to the Vietnamese. Physical and communications security will be greatly enhanced. The scope of the entire headquarters complex amounts to 459,400 sq. ft. The current working estimate (CWE) is \$26.8 million. The headquarters buildings, a combination of Soule buildings, have a gross area of 370,000 sq. ft. with a CWE of \$17.0 million, or \$46 per square foot which must be considered in relation to the cost index for construction in Vietnam

which is 3 due to the use of a U.S. contractor operating in an active theater of war; the 10,000 mile logistic supply line; and the use of U.S. materials to minimize the international balance of payments problem and inflationary effect on the Vietnamese economy.

## TARGET SELECTION FOR NORTH VIETNAM BOMBINGS

Chairman RUSSELL. Senator Thurmond.

Senator THURMOND. Thank you, Mr. Chairman.

Mr. Secretary, yesterday I propounded two questions, and I shall proceed now with the third question. Mr. Secretary, what changes in the procedures for selection and approval of targets in North Vietnam for bombing by U.S. aircraft have been made since the raids on North Vietnam were first commenced?

Secretary McNAMARA. Senator Thurmond, I would have to research the record of the past 2 years. There have been at various times decisions made as to targets. I don't think there have been any basic changes in procedures. There has been over that period of time an evolution in the various target systems that were authorized for attack.

I would be happy to go back and ask the Joint Chiefs to have the Joint Staff record specifically the dates at which the particular decisions were made. However, I think, again this should be put in the safe and used if at all, only for historical purposes.

(The information requested is classified and was furnished separately to the committee.)

Senator THURMOND. Mr. Chairman, with regard to putting it in the record, I have no special objection if he wants to do it that way. I still feel that with the members of this committee there is no reason why it cannot be put in the record, but it is the desire of the chairman that we comply with the Secretary's wishes, then I would ask that the answers to these questions, although I would prefer that they go in the record, be preserved by the committee.

Chairman RUSSELL. The Chair expressed himself on this yesterday. I realize that there is widely varying construction on what is properly classified and as to when classified material should be released. Generally speaking, unless there is some sound reason to the contrary, I have deferred to the views of the Department of Defense on those matters.

I have differed with them. I have argued with them. Once or twice I have been able to get something declassified—rarely. But until we see some reason for a change, I think we will follow the method I outlined yesterday.

Senator THURMOND. Then the answers to the questions that the Secretary feels should not go in the record will be turned over to the Armed Services Committee to be preserved.

Chairman RUSSELL. They will be preserved, and be available to the Armed Service Committee for historical purposes.

Senator THURMOND. Mr. Secretary, I will have copies of those which you don't answer fully and would like to complete.

Secretary McNAMARA. Surely We will go back and record decisions that have been made on target systems, which I think is the only way to answer it, since there have been basically no changes in the procedures or policy during that period.

## REMOVAL OF TARGETS FROM APPROVED LISTS

Senator THURMOND. Within the last 30 days, or since the charges were made that American aircraft were bombing civilians, what targets, if any, which were previously approved for bombing have been removed from the approved list of targets?

Secretary McNAMARA. [Deleted.]

Chairman RUSSELL. I think I can assure the Senator that I can get that information for him.

Secretary McNAMARA. I will be happy to obtain it and turn it over to the chairman and let him at his discretion do whatever he wishes with it.

Senator THURMOND. Then it will be turned over to you.

Chairman RUSSELL. I think the information can be secured and safeguarded.

## ANTIAIRCRAFT ARTILLERY AND AMMUNITION SOURCE IN NORTH VIETNAM

Senator THURMOND. All right, sir.

Mr. Secretary, I have been told that the antiaircraft artillery fire over targets in North Vietnam is the heaviest in the history of air warfare. What estimate do you have of the actual volume of fire, and from where does the heavy volume of ammunition come, and how is it transported from its origin to the firing sites?

Secretary McNAMARA. I have heard the statement made, as you have, that the fire is the heaviest in history. It is very difficult, I think to prove it conclusively. Let me simply say it is heavy, and that substantial quantities of ammunition are required to support it, and these quantities of ammunition, to the best of my knowledge, come primarily from the Soviet Union and primarily overland across China.

## TARGETS OF OPPORTUNITY

Senator THURMOND. Mr. Secretary, to what extent are targets of opportunity, such as transport vehicles and other convoys which could carry ammunition, approved for attack by U.S. aircraft over North Vietnam?

Secretary McNAMARA. The great bulk of our effort against lines of communication in North Vietnam is directed against exactly those targets, so they are in most cases not targets of opportunity. They are specifically targetted. Where pilots on a given route do not locate vehicles or ammunition dumps or supply dumps, they are authorized to use whatever ammunition remains to attack similar targets that they may observe elsewhere, so I think that I would simply say that, generally, strikes against such targets are not on the basis of targets of opportunity, but are specifically ordered.

Senator THURMOND. Let me see if I understand your answer. I am asking about targets of opportunity, such as transport vehicles, and the convoys that carry ammunition. I just want to know if they are approved for attack by aircraft.

Secretary McNAMARA. They are not only approved for attack, [deleted] percent of the sorties directed against targets in North Vietnam are specifically ordered against targets of that kind.

## BOMBING EXEMPTIONS

Senator THURMOND. What I mean is does that apply all over North Vietnam, or are there certain exemptions, as you specified yesterday?

Secretary McNAMARA. It applies all over North Vietnam with the exceptions that I noted yesterday.

Senator THURMOND. But it does fall within those exceptions.

Secretary McNAMARA. Oh, yes.

Senator THURMOND. In other words, they cannot attack a transport carrying ammunition, if it's in certain areas.

Secretary McNAMARA. That is right.

[Deleted].

Senator THURMOND. The areas you mentioned yesterday—

Secretary McNAMARA. [Deleted.] Other than those particular areas, I think it is fair to say, Bus, that they are either directed against such targets or allowed to attack such targets anywhere else in the country.

General WHEELER. That is correct. I have a sheet here which shows that as of the middle of this month, we destroyed [deleted] vessels, [deleted] vehicles, and [deleted] pieces of rolling stock, in addition to damaging much more.

Secretary McNAMARA. I should emphasize that the list I gave you yesterday of restricted areas included the populated areas of villages or cities.

Senator THURMOND. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

## WEAPONS SELECTION BY FIELD COMMANDERS

Senator THURMOND. To what extent are commanders in the field given latitude as to the types and sizes of air ordnance to be used against particular targets in North Vietnam, and what limitations are imposed on the sizes and types of bombs which can be employed?

Secretary McNAMARA. There are no limitations on ordnance used by the field except nuclear, lethal chemical, and biological [deleted].

Bus, correct me if I'm wrong.

General WHEELER. That is all. There are no restrictions whatsoever on commanders as to the choice of weapons except the categories enumerated by the Secretary.

Senator THURMOND. In other words, if the Air Force wants to use a 750-pound bomb or a 2,000-pound bomb, they have the discretionary authority to do so.

General WHEELER. Absolutely, Senator.

Senator THURMOND. Of course, within the areas where they are allowed to use them.

General WHEELER. That is right.

## MILITARY CONSTRUCTION

## SOUTHEAST ASIA

Chairman RUSSELL. Senator Cannon.

Senator CANNON. Thank you, Mr. Chairman.

Mr. Secretary, would you define for us a little more specifically what construction will have been completed in Thailand and South Vietnam

out of the present budget, and then indicate what construction will come out of the supplemental.

Secretary McNAMARA. Yes. I think perhaps what I had better do is introduce the details of this into the record. But, let me refer to the overall amounts involved, and then very generally the portions of the program in particular years.

A total of about \$2,670 million is planned for southeast Asia oriented construction. Some of that is in this country although the great bulk of it is in southeast Asia. Of the \$2,670 million \$1,563 million is in South Vietnam itself, \$200 million is for a contingency allowance not specifically allocated by area, \$832 million is for construction outside of South Vietnam, and \$71 million is for planning.

Now of this \$2.670 billion, \$314 million, including the \$200 million contingency fund is in 1968. And that fiscal year 1968 program is \$77 million for South Vietnam, of which the Army has \$39 million. The biggest item there, \$14 million, is in An Khe, which is the Air Cavalry Division area, for transfer point facilities and a railroad spur. It is a main line of communication there.

Another large item of \$9 million is for railroad sidings and loading facilities in Saigon. Another item is for powerplants and roads in Da Nang for the Navy. The Air Force has \$24 million spread over a large number of activities.

So, \$77 million is for South Vietnam in fiscal year 1968 for the major items I mentioned.

#### THAILAND

Construction in Thailand receives \$13 million [deleted].

Senator CANNON. [Deleted.]

Secretary McNAMARA. [Deleted.]

Senator CANNON. And also the road, the bypass road.

Secretary McNAMARA. And also the road, that is right. I have those listed separately here, and I will be happy to put all of this in the record if you choose.

Senator CANNON. [Deleted.]

Secretary McNAMARA. [Deleted.]

General WHEELER. [Deleted.]

[Colloquy deleted.]

#### SOUTH VIETNAM

Senator CANNON. Now with regard to Cam Ranh Bay, is that all funded?

Secretary McNAMARA. Practically all, that is right, practically all funded from prior programs. There's financing in the supplement but not very much in relation to the total cost. The Army has \$4 million in the fiscal year 1967 supplemental for Cam Ranh. The Navy has \$4½ million. The Air Force has \$4.7 million. So the bulk of Cam Ranh has been financed in the fiscal year 1966 budget and fiscal year 1966 supplemental.

Senator CANNON. Last year there was one airfield that was held in abeyance or deferred. What decision has been made there?

Secretary McNAMARA. We went ahead with Tuy Hoa. There is \$3.6 million in the supplemental for the Army, which supplies part of the Air Force requirements at Tuy Hoa. In the Air Force, Tuy Hoa was financed entirely in the 1966 supplemental.

Senator CANNON. Is that the last of our anticipated base requirements there?

Secretary McNAMARA. Yes, it is.

Senator CANNON. In South Vietnam, and also in Thailand.

Secretary McNAMARA. [Deleted.]

(Classified information was furnished separately to the committee. The unclassified portion follows:)

*Scope of southeast Asia construction program*

	Secretary of Defense worldwide contingency (fiscal year 1968)	Army	Navy	Air Force	Total
Fiscal year 1965 regular:					
South Vietnam .....		15.5	9.4	11.2	36.1
Outside South Vietnam .....			5.1	11.9	17.0
Subtotal .....		15.5	14.5	23.1	53.1
Fiscal year 1965 supplemental:					
South Vietnam .....		36.1	17.4	21.4	74.9
Outside South Vietnam .....		8.7	4.6	19.6	32.9
Subtotal .....		44.8	22.0	41.0	107.8
Fiscal year 1965 MAP transfer <sup>1</sup> .....		21.4	3.1	15.2	39.7
Fiscal year 1965 total .....		81.7	39.6	79.3	200.6
Fiscal year 1966 regular:					
South Vietnam .....		29.6	30.3	13.5	73.4
Outside South Vietnam .....			9.5		9.5
Subtotal .....		29.6	39.8	13.5	82.9
Fiscal year 1966 amendment:					
South Vietnam .....		35.9	32.9	39.2	108.0
Outside South Vietnam .....		28.7	10.3	18.7	57.7
Subtotal .....		64.6	43.2	57.9	165.7
Fiscal year 1966 supplemental:					
South Vietnam .....		358.5	177.6	148.4	684.5
Outside South Vietnam .....		203.2	83.4	171.0	457.6
Planning .....		29.8	14.9	15.9	60.6
Subtotal .....		591.5	275.9	335.3	1,202.7
Fiscal year 1966 MAP transfer <sup>1</sup> .....		46.6	7.5	11.9	66.0
Fiscal year 1966 total .....		732.3	366.4	418.6	1,517.3
Fiscal year 1967 budget:					
South Vietnam .....				6.0	6.0
Outside South Vietnam .....		.3		4.0	4.3
Subtotal .....		.3		10.0	10.3
Fiscal year 1967 supplemental:					
South Vietnam .....		217.6	76.2	103.5	397.3
Outside South Vietnam .....		70.9	59.8	86.9	217.6
Planning .....			4.0	5.6	9.6
Subtotal .....		288.5	140.0	196.0	624.5
Fiscal year 1967 total .....		288.8	140.0	206.0	634.8
Fiscal year 1968 regular:					
South Vietnam .....		39.2	13.7	24.2	77.1
Outside South Vietnam .....		1.7	24.2	9.8	35.7
Planning .....		.1	.1	1.0	1.2
Contingency fund .....	200				200.0
Fiscal year 1968 total .....	200	41.0	38.0	35.0	314.0
Total, fiscal years 1965-68:					
South Vietnam .....		800.4	368.1	394.5	1,563.0
Outside South Vietnam .....		313.5	196.9	321.9	832.3
Planning .....		29.9	19.0	22.5	71.4
Contingency .....	200				200.0
Grand total .....	200	1,143.8	584.0	738.9	2,666.7

<sup>1</sup> MAP transfer executed in calendar year 1966.

Senator CANNON. [Deleted.]  
 Secretary McNAMARA. [Deleted.]  
 [Colloquy deleted.]

## NAVY A-6 AIRPLANE PRODUCTION

Senator CANNON. Last year I think you speeded up the production of the Navy's A-6's as I recall. What is the present situation? Is that buy being increased and is the production line being stepped up to give us some immediate relief in that area now?

Secretary McNAMARA. Yes. My recollection is that we are adding still further to the A-6 schedule. It has proven, after initial difficulties, to be a very satisfactory aircraft. The fiscal year 1967 supplemental carries, I believe [deleted] additional A-6's and \$145.5 million (for a total fiscal year 1967 program of [deleted] A-6's at a cost of \$208.1 million) and the fiscal year 1968 budget carries, I believe, [deleted] A-6's at \$263 million.

Senator CANNON. And you propose to increase the A-6 squadron in operation in Vietnam.

Secretary McNAMARA. Yes; as these aircraft come in, they will go to form additional squadrons. Some of these aircraft will become operational in southeast Asia.

## NAVAL BOMBARDMENT OF SHORE INSTALLATIONS

Senator CANNON. In closing, I want to associate myself with the chairman and with others in relation to this problem of naval bombardment. [Deleted.]

Secretary McNAMARA. [Deleted.]

Chairman RUSSELL. [Deleted.]

Senator THURMOND. Mr. Chairman, I would like to be associated with your position too. I think I have placed that in the record already. If not, I certainly wish to be on record in that way.

## CASE OF MARINE PFC CHARLES W. KENNAN

Chairman RUSSELL. Senator Byrd of West Virginia.

Senator BYRD of West Virginia. Thank you, Mr. Chairman.

Mr. Secretary, are you familiar with the facts of the case involving Marine Pfc. Charles W. Keenan?

Secretary McNAMARA. Not directly. I am aware there is such a case and we have asked the Secretary of the Navy to follow it to be sure that every protection of the man's rights are granted to him.

Senator BYRD of West Virginia. I wouldn't mention the case except for the fact that it has become one of considerable interest all over the country and my newspapers are editorializing about it in great measure. Almost all of the newspapers in my State have written editorials on it, and I mailed about 500 letters to constituents last weekend. I just want to express the hope that the facts in this case will be brought to light in such time as they will not be prejudicial to the individual.

(Off the record.)

LENGTH AND ADEQUACY OF INDIVIDUAL TRAINING GIVEN TO  
SOLDIERS SENT TO VIETNAM

Chairman RUSSELL. Senator Miller.

Senator MILLER. Thank you, Mr. Chairman.

General Wheeler, from the time a man is inducted into the military, without any prior military service, what is the minimum amount of time before he would be assigned to a unit which would be engaged in combat in Vietnam?

General WHEELER. I believe it would be 4 months, Senator, as an absolute minimum. This is the time required for him to go through basic training, to get the necessary indoctrination courses, leaves, and so on, before he would go to Vietnam. I believe, on the average, it would be a little bit more than that, but I will check that figure and make sure it's accurate.

Senator MILLER. Has there been any discussion about increasing that time somewhat? There are a number of people who think that 4 months is a very short time in which to give him his basic training and give him the combat-type training that he would need to carry out his mission over there.

General WHEELER. I can't answer your question directly. I do know that the Chief of Staff of the Army specifically, General Johnson, has lengthened certain courses of training, in order to heighten the experience level and the capability level of certain groups of individuals.

An example is the case of the junior leaders. I am speaking now of assistance squad leaders and people like that. As to whether they have given consideration to an overall extension of the training time, I am not sure, and that, too, I could check, Senator.

Senator MILLER. If you could give us that for the record, I would appreciate it.

General WHEELER. I will do that.

(The information follows):

1. Current statutes provide that no soldier inducted into the Armed Forces can be assigned for duty at an installation on land outside the United States or its territories and possessions until he completes a minimum of four months' training.

2. Each individual brought into the Army is given an eight-week period of basic training. This phase of training is the foundation for all future training. The objectives of Basic Combat Training (BCT) are to convert a civilian into a disciplined, highly motivated soldier, qualified in his basic weapon, physically conditioned, and drilled in the fundamentals of soldiery. Emphasis is placed upon practical work rather than on theoretical instruction, and the new soldier undergoes fundamental training in general military subjects, command information and indoctrination subjects, weapons, and squad level tactics. This training is given to all new soldiers regardless of their eventual branch or specialty assignments. Upon completion of BCT, the soldier enters Advanced Individual Training (AIT).

3. Selection of individuals for appropriate AIT is based on such factors as the soldier's background, education, civilian occupation, his physical condition and aptitude, and the anticipated needs of the Army. It is in this training that the soldier is taught the individual skills peculiar to a specific branch such as Infantry, Artillery, or Armor. AIT may be conducted in Army Training Centers, units or schools. It may be combat support training, common to several branches, such as the training of a cook, typist, or light vehicle driver. Additionally, it may be specialized branch school training such as is conducted in the many technical and administrative service or combat arms school courses. This is the point in the training system where the soldier learns the skills that

will enable him to function as a member of a team or unit in his subsequent duty assignment. For the majority of trainees, the AIT phase is of eight weeks' duration. However, in some specialized technical fields, the school courses are of longer duration depending upon the amount of training required by the Military Occupational Specialty (MOS). The objectives of AIT are to produce well-disciplined, physically conditioned soldiers, with sufficient skills and knowledge to enable a soldier to participate as an effective member of a unit engaged in combat.

4. To train its new soldiers, the Army uses the best of its professional officers and noncommissioned officers. Our training centers are manned with returning veterans from Vietnam wherever possible, and more returnees are scheduled to join in this training mission in the coming months. These professional soldiers undertake their training mission seriously and with determination for they know from their own personal experience that the training they are providing is essential to the battlefield survival of each man under their charge. The Army and its professional soldiers hold this training responsibility above all others.

5. To further insure that individual infantry replacements are provided the best possible training, the Chief of Staff, United States Army, approved a training plan which directed the conduct of a Vietnam-oriented nine-week AIT cycle at Fort Gordon, Georgia; Fort Polk, Louisiana; and Fort Jackson, South Carolina. The modified AIT was adopted to take maximum advantage of lessons learned in Vietnam. It is designed to train individuals under conditions found in that country. The additional week of training allows time for a continuous five-day field problem conducted in a simulated Vietnamese combat environment. In addition, all applicable subjects included in Infantry AIT have been reoriented to the needs of individual Infantry replacements who will be subsequently ordered to RVN. This training is one aspect of the continuing Army-wide program designed to give every soldier the best possible training, and equip him with knowledge and skills that will give him the best assurance of success and survival on the battlefield.

6. In addition to the above, all personnel being assigned to Vietnam, regardless of branch or length of service, receive special training for service in that country, including 16 hours of required special orientation. In addition, lessons learned in RVN are incorporated in BCT, AIT and unit training at posts throughout the country.

7. In order to prepare noncommissioned officers, grades E-4 through E-9 and company grade officers of Infantry, Field Artillery and Armor for duty in RVN, the current Jungle Operations Course being conducted in Panama has been expanded to handle an increased load of 200 students per month. The first course for RVN officer and NCO individual replacements began 3 January 1966.

8. The above training is geared to meet the challenges of the war in Vietnam. This training is constantly updated to reflect the most recent lessons learned from the combat theater. Comments received from the Commanders there attest to the fine quality of the soldiers being received as replacements. General Westmoreland, in a recent letter to General Johnson, made the following remarks: "I am both proud and pleased to inform you that the military proficiency, the elan, and the combat readiness of these men are of the highest order and represent a new plateau of achievement in the history of the Army."

#### PRISONERS OF WAR

Senator MILLER. Mr. Secretary, in yesterday's Washington Evening Star, an Associated Press story states:

U.S. military sources reported that only about 2,500 prisoners of war are being held in South Vietnam, far fewer than generally had been believed, in view of the weekly casualty reports listing hundreds of enemy prisoners taken each week.

Six months ago it was reported that the South Vietnamese were holding an estimated 23,000 prisoners, but that number now is said to have included political detainees and persons rounded up in military sweeps.

I have been under the impression that there were far more genuine prisoners of war than 2,500, and I am wondering if you have any comments on how firm these figures are, and if these figures are some-

where within the range of what your understanding is. How do we account for the fact that there are so few prisoners of war?

Secretary McNAMARA. Well, first let me say that the South Vietnamese operate the prisoner of war camps, and, therefore, they are the source of the data that we use on prisoners of war, and so far as I know, the figures that you quote are approximately what we have also received.

I think that we must distinguish between captured prisoners of war and Chieu Hoi returnees, the Vietcong who are not willing to fight and die do try to defect, I think, through the Chieu Hoi program, this is one of the explanations I think for the relatively small prisoners of war total.

Senator MILLER. With all of the encounters we have had over there, it seems to me that there would be more than 2,500 genuine prisoners of war, captured by our own forces.

Secretary McNAMARA. Perhaps General Wheeler can add to that. General WHEELER. I would like to say a word on this, Senator. I am not sure that we are not mixed up in a matter of semantics here. This subject was brought to my attention this morning, and I propose to check these figures out.

When they capture these people, and I am speaking now about the North Vietnamese and the Vietcong, they are immediately screened. Generally speaking, the North Vietnamese fall obviously into a prisoner of war category. However, the status of the South Vietnamese types that are captured is not that clear.

They are screened usually by the province chief or other Vietnamese governmental machinery, and divided into about three categories—those that they consider to be PW's, those that they consider to be common criminals, and those that they consider to be perhaps residents in the area, who are released and sent back to their homes.

This is the normal procedure. I have seen their taking truckloads of them back after having screened them.

[Deleted.]

#### WOUNDED ENEMY PERSONNEL

Senator MILLER. When we realize that we have had 30,000 wounded on our own side, it seems to me they must have had more than that on their side. Whether they are able to evacuate their own wounded people is another thing, but taking that figure into account, it would seem to me that more than 2,500 prisoners of war would be expected. I would appreciate it if you could give us some further information.

General WHEELER. I will try to do that. Speaking of the Vietcong wounded very briefly [deleted].

We don't capture very many of their wounded. They are very good at getting them away from the battlefield. Also, as you know, they habitually try to get the dead away also, to conceal their losses. However, logic leads you to think that their losses from wounded and so on are much larger than we give ourselves credit for.

Senator MILLER. Thank you, sir.

#### CHINESE PERSONNEL IN VIETNAM

I would like to ask either General Wheeler or the Secretary whether there have been any instances at all of Chinese being killed, captured, or wounded in South Vietnam?

Secretary McNAMARA. None that I know of.

General WHEELER. We have checked this story repeatedly, Senator, and we have never yet been able to identify an authentic case of a Chinese being found among the Vietcong dead, wounded, or prisoners.

Now as you undoubtedly know, there is a sizable ethnic group of Chinese in South Vietnam, particularly in the Cao Lanh region, which is adjacent to Saigon. Therefore, I would expect that at least some proportion of the individuals in the Vietcong do have some amount of Chinese blood in them.

For example, General Dong, one of the early dissidents who is now out of office, happened to be descended at least in part from a Chinese mandarin.

Senator MILLER. Would that be true of the North Vietnamese who come into South Vietnam?

General WHEELER. The same is true, sir.

#### CARRIERS USING PORT OF HAIPHONG

Senator MILLER. Mr. Secretary, the other day you gave us figures on ships from free countries or flying free country flags which had been observed coming into Haiphong in 1965 and I believe 1966.

Secretary McNAMARA. That is correct.

Senator MILLER. I recall it was around 240 in 1965, and very strangely, less in 1966. What figures do you have during the same time period of Russian and Chinese ships coming into Haiphong?

Secretary McNAMARA. Let me give the figures over again for free world ships, 256 for 1965, 74 for 1966. Of the 74, only 20 came in the last 6 months, and those were under United Kingdom, Cyprus, and Malta flags. They were mostly Far East based, and we believe the Red Chinese control the ownership.

[Deleted.]

Senator MILLER. Thank you, sir.

Senator ELLENDER. Senator Miller, your time is up. Senator Young.

#### SOUTH VIETNAMESE TROOP DESERTIONS

Senator YOUNG of Ohio. Mr. Secretary, approximately 117,000 ARVN soldiers deserted in 1966. In order to be exact, I got the figure from the Defense Department this morning; they gave me the number as 116,685 or 116,865. In that regard [deleted] an important reason why we Americans are going into the Mekong Delta?

Secretary McNAMARA. No, I think it has nothing whatsoever to do with it. The desertion rate is a problem. I don't want to minimize it. It is a problem.

#### SOUTH VIETNAMESE TOTAL ARMED FORCES

Senator YOUNG of Ohio. You say their forces are 230,000?

Secretary McNAMARA. These are just Army, Senator Young. The total regular forces number 320,000.

Senator YOUNG of Ohio. Total.

Secretary McNAMARA. Yes, the regular forces number 320,000. For desertions from the regular forces of all the military services I have 116,853, essentially the same figure you have.

Senator YOUNG of Ohio. What is the total then of friendly forces including regional forces? Does that greatly exceed 230,000?

Secretary McNAMARA. Yes, about 670,000 excluding the National Police.

#### MEKONG DELTA CAMPAIGN OPERATIONAL DIFFICULTIES

Senator YOUNG of Ohio. Mr. Secretary, is there in the entire world any area that you know of that would be worse for Americans to fight a land war than in the Mekong Delta? I wish you would name it if there is.

Secretary McNAMARA. I don't want to try to compare one area with the other on that standard. I will support the inference you draw from the question, that the Mekong Delta is a difficult area in which to have U.S. troops operating.

Senator YOUNG of Ohio. A really terrifically bad area, with the climate and the rice paddies and the jungles and the water.

Secretary McNAMARA. In those respects it is not much worse, if any worse, than areas they are already operating in elsewhere in the country. The difficulties are accentuated, however, by the heavy density of population in certain parts of the Mekong Delta area.

#### POLICY OBJECTIVES IN VIETNAM

Senator YOUNG of Ohio. Mr. Secretary, on page 6 of your prepared statement, read by you before this committee the other day, wherein you were speaking of our overall policy objective in South Vietnam, section 3 of that statement was "to exert pressure on the Government of North Vietnam, to cease such direction and support of the insurrection in South Vietnam." I assume a definition of insurrection would be revolting against civil or political authority, or revolting against an established government.

In that statement you recognize, in fact, that our Armed Forces in Vietnam are involved in and interjected into a civil war or insurrection in South Vietnam; is that not a fact?

Secretary McNAMARA. Not in the way in which I think you use the term "civil war," Senator Young. I don't want any implication left by my statement on page 6 or by my answer to your question that I believe that the insurrection in South Vietnam has been initiated primarily by citizens of South Vietnam, because I don't.

Senator YOUNG of Ohio. All right.

Secretary McNAMARA. I believe that it was initiated, and I believe it is now directed and supported, primarily by North Vietnam.

Senator YOUNG of Ohio. Your statement is clear it seems to me, and, Mr. Secretary, I am asking you this question. Are you intending to direct, or can we have an understanding that you will not direct that paragraph 3 be deleted from your testimony that later will be cleared for publication?

Secretary McNAMARA. It has already been included in the unclassified version, but I don't want to have any misunderstanding as to my meaning. I have said consistently for years, and I want to repeat again today, that all of the evidence, and I mean literally all of the evidence, as to the origin and current direction and support of the insurrection in South Vietnam indicates that it is primarily a function of the political decisions of the political leaders of North Vietnam.

Senator YOUNG of Ohio. I understand. You will, however, permit your statements to stand?

Secretary McNAMARA. Oh, yes, with this amplification.

Senator YOUNG of Ohio. With whatever statement you want to make in addition.

Secretary McNAMARA. That is correct, sir.

Chairman RUSSELL. The statement has already been released, I may say.

Secretary McNAMARA. That is correct, sir.

#### PRISONERS OF WAR

Senator YOUNG of Ohio. Now, Mr. Secretary, in August of 1965, the Saigon military junta governing the area officially declared the existence of an armed conflict in that nation, thereby recognizing the agreements under the Geneva Convention that applied to enemy prisoners. Before that time, however, before August 1965, the Vietnamese Government in Saigon, and I quote now, "described the war as a rebellion."

I read this in the Washington Post as well as in other publications. That does not have the same status under the 1949 convention. Are officers of the American Army in South Vietnam, after this latter statement, still turning over prisoners we take to the South Vietnamese Army leaders? Are we still turning them over?

Secretary McNAMARA. I think the answer is yes.

General WHEELER. The answer is yes, Senator.

#### NONWITHDRAWAL OF U.S. FORCES FROM SOUTHEAST ASIA

Senator YOUNG of Ohio. Mr. Secretary, Senators on this committee and a number of other Members of the Senate, state that South Vietnam is not now and has never been of any strategic or economic importance whatever to the defense of the United States. Yet some of my colleagues who feel as I do, and they have a right to their views, say that now that we are in Vietnam, we should see this fighting through, even though it takes 600,000 or 800,000 troops. That seems to be a rather preponderant view, I might say. That is a prelude to the question I am going to ask you.

In October 1962, no leader of a great nation ever humiliated himself as did Khrushchev when he was confronted face to face and voice to voice with the late President Kennedy, and knowing that our U-2's had exposed the missile bases.

Senator THURMOND. Mr. Chairman, I can't hear him. I would like to hear the question.

Senator YOUNG of Ohio. In Cuba, knowing that he was confronted with a nuclear war which would devastate his country and would be a terrible thing for the world, he actually said, as I am informed, "Well, I was stupid to think I could get away with it, and we will withdraw our forces," which he did, "our nuclear forces."

Has thought been given to our policy to withdraw?

Secretary McNAMARA. I think that we have heard the arguments for withdrawal, Senator Young. We have listened carefully to those who would recommend withdrawal, and believe it is not in our national interest to do so.

And, as you implied a moment ago, I think the bulk of the American people would agree with that, and probably the majority of the members of this committee, for the same reasons that we hold that belief.

APPLICATION OF MILITARY POWER TO OVERCOME SOUTHEAST ASIA  
COMMUNIST GOVERNMENT

Senator YOUNG of Ohio. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

Senator YOUNG of Ohio. No, that is not really my question, Mr. Secretary. I am referring now to southeast Asia.

Chairman RUSSELL. Please get it down, because your time has expired.

Senator YOUNG of Ohio. I am referring to Laos and Cambodia.

Secretary McNAMARA. Let me rephrase the question. Would we act through the application of our military power to overthrow Communist governments which may develop in southeast Asia? I think the answer is "No," if those governments are introduced by decision and action of the people of the country, without outside aggression being the factor that changes the character of the government.

NAVAL BOMBARDMENT OF SHORE INSTALLATIONS

Chairman RUSSELL. Senator Byrd.

Senator BYRD of Virginia. Thank you, Mr. Chairman. First, I would like to associate myself with the chairman, with Senator Jackson, with Senator Cannon, and Senator Thurmond in regard to the naval bombardment [deleted].

SOUTH VIETNAMESE FORCES IN MEKONG DELTA CAMPAIGN

General Wheeler, I assume I am correct in my belief that the Mekong Delta operation will be a long, drawn-out one.

General WHEELER. I believe you are correct, Senator.

Senator BYRD of Virginia. Would you feel that the predominance of troops in the operation will be U.S. troops or will be South Vietnamese troops?

General WHEELER. I would say that at least for a long time to come the predominant force will be South Vietnamese, Senator. General Westmoreland has moved in to date only one brigade of the 9th Infantry Division [deleted].

Senator BYRD of Virginia. [Deleted.]

General WHEELER. [Deleted.]

[Colloquy deleted.]

U.S. FORCES IN THAILAND

Senator BYRD of Virginia. Thank you, sir. What total military manpower do we have in Thailand now?

Secretary McNAMARA. About 35,000.

General WHEELER. 35,000, sir.

Senator BYRD of Virginia. Do you anticipate a buildup in that?

Secretary McNAMARA. Not by any substantial amount [deleted].

Senator BYRD of Virginia. But no major buildup.

Secretary McNAMARA. No, sir.

#### WAR ANNUAL COST

Senator BYRD of Virginia. Mr. Secretary, what do you estimate the cost of the Vietnam war to be on either a monthly or an annual basis?

Secretary McNAMARA. Well, it is very difficult, Senator Byrd, to arrive at meaningful figures. Let me give you a few rough guides to it. In 1963-64 we were running about \$50 billion of expenditures a year for defense. The budget presented to you for fiscal year 1968 provides \$73.1 billion. Of the difference of \$23 billion, about \$5.4 billion represents payment increases to retired personnel and salary increases to civilian and military personnel of the Department. If you deducted that from the \$23 billion the residual amount of \$17½ billion I think could be said properly to be an incremental cost associated with Vietnamese operations.

Now in briefing the press yesterday, we actually stated the cost for fiscal year 1968 as approximating \$22 billion. We got the difference of \$5 billion between \$17 billion and \$22 billion by going through our costs, account by account, and trying to isolate those specific costs that we would not be incurring did we not have Vietnam. So I would say to you the answer is that it is probably running between \$17 billion and \$22 billion per year at present, and will run at that rate for the foreseeable future, meaning through fiscal year 1968.

#### COST DETERMINATION PROCEDURE

Senator BYRD of Virginia. Mr. Secretary, when were those figures determined?

Secretary McNAMARA. Well, this \$22 billion figure that I gave you a moment ago was determined as part of the fiscal year 1968 budget process, which means within the last 2 or 3 weeks.

Senator BYRD of Virginia. The reason I asked was because before this committee last October, October 12 I believe it was, Mr. Anthony, under questioning by Senator Jackson and by Senator Thurmond, and also by the chairman, said the Defense Department could not give any estimate as to what the Vietnam war cost, and throughout that long session refused to give the committee any estimate of what it cost.

Secretary McNAMARA. Essentially, I am saying the same thing today. That it's very difficult to estimate the costs of the war. Do you, for example, charge in part General Wheeler's salary? Well, he certainly spends a high percentage of his time on Vietnam—no question about that. The same thing for mine. I don't know anybody that suggests that this be charged to the Vietnamese war. Now if you just take that absurd example and just follow it right through the entire \$73 billion budget, you can see the kinds of problems we have in allotting costs to specific purposes.

So what we have done is to approach it in two ways. We took what we were spending before the war, and adjusted that for pay level changes since that time, and using that as a base, we compare that \$56 billion with the amount we are asking Congress for fiscal year 1968, which is \$73 billion, and the difference is \$17 billion.

There hasn't been a major change in our non-Vietnam requirements, although we have the ABM and the Manned Orbiting Laboratory and the accelerated POSEIDON developments and so on that one could argue that these are additions to our previously envisioned non-Vietnam expenditure level. But roughly you could say that on the basis of the increase in overall costs, Vietnam was taking about \$17 billion.

On the other hand, if you actually go through our accounts, item by item, and identify specifically what are you buying a particular airplane for and what are you buying specific quantities of 155-millimeter ammunition for, we get \$22 billion.

Quite frankly, I think \$22 billion overstates it as an incremental figure, because many of the airplanes we buy, to use those as an illustration, would probably be bought in any case, because we were planning to modernize our force anyway. When an airplane is shot down over North Vietnam, we buy a replacement. If it had not been shot down, we probably would have taken it out of service and bought a replacement. So some of the costs that we are charging to Vietnam would probably have been incurred anyhow. Now with this explanation I can only say I am inclined to agree with Mr. Anthony's statement of last October.

Senator BYRD of Virginia. While it is not possible to get an exact cost, you feel it is reasonable and appropriate to say that the additional cost, or the cost of the Vietnam war is roughly \$22 billion on an annual basis.

Secretary McNAMARA. I think it's an approximation, and probably the best we can give you, other than this figure of \$17 billion, which I derived by comparing the pre-Vietnam spending level with the present Vietnam level.

Senator BYRD of Virginia. But after considering the two figures, do you think that perhaps \$22 billion would be more accurate?

Secretary McNAMARA. Take your choice, Senator.

Senator BYRD of Virginia. Thank you, Mr. Secretary.

Thank you, Mr. Chairman.

Chairman RUSSELL. Mr. Secretary, neither of those figures include the pay of the 300,000 troops we have in the Army, or any part of it.

Secretary McNAMARA. It includes the extra pay; yes, sir, it does. It does not include the pay of the men who are training them, for example, because they would have been in the Army in any case. It doesn't include the cost of our bases in this country, which are certainly supporting the men in Vietnam. A major part, in other words, of the fiscal year 1968 \$73 billion budget is directly or indirectly associated with Vietnam and is not included in those cost figures.

Chairman RUSSELL. I realize the difficulty and I agree with you it is impossible to calculate it down to the last dollar because there are too many imponderables.

Senator ELLENDER. How about the use of military hardware on hand? Do you account for that, too?

Secretary McNAMARA. The \$22 billion includes additional hardware purchased, above what we believe we would have purchased had we not been in Vietnam.

Senator ELLENDER. Is the amount on hand now equal to what we had when we got into trouble in Vietnam?

Secretary McNAMARA. In most categories it is substantially in excess of that quantity.

Chairman RUSSELL. Senator Pearson.

#### ANTIBALLISTIC MISSILE RESEARCH

Senator PEARSON. Mr. Secretary, I will ask you again the question I put to you yesterday about expenditures in next year's budget on anti-missile missile research and on space research for military purposes, and ask you to evaluate our position with that of the Soviet Union in both these fields.

Secretary McNAMARA. Well, the fiscal year 1968 budget, which we will be discussing in detail I presume later this week, includes \$420 million for what I will call pure research and development for the Nike X system, the antiballistic missile system developed by the Army. It includes about \$20 million of additional funds in the research and development account associated with Nike X.

It also includes about \$118 million of research and development effort under the Defense Department's Advanced Research Projects Agency for advanced technological explorations of factors that affect antiballistic missile systems; for example, recording the paths followed by different objects in space as a foundation for determining how penetration aids will influence the number of interceptor missiles required to destroy incoming targets, or very advanced radars which may be able to expand the capacity of an antiballistic missile system to handle large numbers of incoming objects and attack them successfully.

So I would say that the answer to your question about research and development costs for antiballistic missile systems is roughly a half billion dollars in fiscal year 1968.

Senator PEARSON. Is that about the same as last year?

Secretary McNAMARA. Roughly the same, that is right. We have been running half a billion dollars a year for about 5 or 6 years on antiballistic missile systems, and we propose to continue at that rate in 1968.

#### ANTIBALLISTIC MISSILE PRODUCTION

The character of the research and development has changed dramatically in that time, but the amount has not. There are some production funds included in the budget, and I will comment on those now, although you didn't mention it, just to insure that there is no misunderstanding on this point.

The Congress appropriated last year for fiscal year 1967 \$168 million for production of antiballistic missile systems. We have not used that. We don't presently propose to use it. In addition, however, we are asking for \$377 million for possible use for antiballistic missile systems. The combination of those two sums gives us \$545 million available for production and development if the decision is later made to produce the systems. The decision at the present time is not to produce, but rather to engage in discussions with the Soviets, seeking to limit the deployment of systems by each nation.

In the event those discussions prove unsuccessful, it is our plan to reconsider the decision. Even under those circumstances, however,

production and deployment might well be limited to certain purposes, such as protection by an antiballistic missile defense of our offensive weapons system. So much for antiballistic missiles.

## SPACE RESEARCH AND DEVELOPMENT

The Defense Department's space research and development program included in the fiscal year 1968 budget is \$2 billion. We do benefit, to some degree, from the \$5.1 billion that will be in the NASA budget, most of which is for space. It is my personal belief, and I think others in the Department would share this belief, that we are substantially ahead of the Soviets in the breadth of our space research development. [Deleted.]

Senator PEARSON. What actually do the Soviets have in deployment and in production on the antimissile missile? The papers carry numerous accounts, and I think the Secretary tried to clear it up.

Secretary McNAMARA. We will be covering this in some detail. I have quite an extensive statement on exactly what they have. I would be happy to go into it now if the Chairman wishes me to, or do it later.

Chairman RUSSELL. I thought we would do it in order, unless Senator Pearson insists, because that is covered in the next portion of the hearing.

Secretary McNAMARA. Yes, sir; it is.

## ATTACK SORTIES AGAINST NORTH VIETNAM

Senator PEARSON. All right, fine. One other question. How many average daily sorties over North Vietnam do we have now, about a thousand?

Secretary McNAMARA. Let me give you the rough figures. [Deleted.] In September-October we were running about 10,000 a month against North Vietnam. [Deleted.] These are rough figures.

Now the number against North Vietnam changes as the weather changes. We happen to be in a very bad weather period at the present time [deleted].

## EFFECT OF TARGET RANGE EXPANSION

Senator PEARSON. If you expand the range of your targets, increase or accelerate the type of targets, will you increase the sorties or just change the missions?

Secretary McNAMARA. [Deleted.]

General WHEELER. [Deleted.]

Secretary McNAMARA. [Deleted.]

Senator PEARSON. [Deleted.]

Chairman RUSSELL. [Deleted.]

[Colloquy deleted.]

(Classified information was furnished separately to the committee.)

Chairman RUSSELL. [Deleted.]

Secretary McNAMARA. [Deleted.]

General WHEELER. [Deleted.]

[Colloquy deleted.]

Senator SYMINGTON. Will the Chair yield for a question?

Chairman RUSSELL. Yes.

Senator SYMINGTON. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

Senator THURMOND. [Deleted.]

[Colloquy deleted.]

Chairman RUSSELL. Senator Dominick.

Senator DOMINICK. I will pass at the moment, Mr. Chairman.

Chairman RUSSELL. Senator Ellender.

#### PORTION OF LAOS IN FRIENDLY HANDS

Senator ELLENDER. I want to ask a few questions about Laos. How much of that country is in friendly hands? [Deleted.]

Secretary McNAMARA. [Deleted.]

Senator ELLENDER. [Deleted.]

[Colloquy deleted.]

Senator ELLENDER. To what extent are we supporting militarily those friendly to us?

Secretary McNAMARA. We support them with weapons and equipment. [Deleted.]

Senator ELLENDER. [Deleted.]

[Colloquy deleted.]

#### REPORTED BLACK MARKET SALE IN CAMBODIA OF MATERIALS FURNISHED BY UNITED STATES

Senator ELLENDER. I saw a statement sometime ago to the effect that much of the materials that we furnish the South Vietnamese find their way into Cambodia at big prices, and a lot of Chinese, a lot of traders, are getting to be millionaires. Have you anything to say about that?

Secretary McNAMARA. No, sir. I can only speak with respect to the military materiel, and I do not believe that there is any substantial diversion of that from South Vietnam into Cambodia.

Senator ELLENDER. Have we made the Prime Minister there aware of the fact that our enemies are using Cambodia as a place of refuge?

Secretary McNAMARA. Yes, we have.

Senator ELLENDER. [Deleted.]

Secretary McNAMARA. [Deleted.]

Senator ELLENDER. I presume that whenever any incident happens wherein his country is used in one way or another to help the North Vietnamese, you bring that to his attention?

Secretary McNAMARA. Yes. The Australians have an embassy there. They, of course, are as much concerned as we, because their troops are fighting in South Vietnam, and it is through that channel that such protests are made.

Senator ELLENDER. Thank you, Mr. Chairman.

Chairman RUSSELL. Senator Young.

## BUDGET PREDICATIONS

Senator YOUNG of North Dakota. Mr. Secretary, does the budget before us take care of your expected needs for the next fiscal year? Is it based on the war being carried on at about the same scale as it is now?

Secretary McNAMARA. The fiscal year 1967 supplemental and the fiscal year 1968 budget that lie before you are both based on the same assumption; namely, that we will provide sufficient funds in those two budgets to carry our operations at their presently planned levels through the leadtimes associated with these budgets.

Now, to translate that for you, it means this. The leadtime for procurement of aircraft is 18 months, and that means we must therefore include in the fiscal year 1968 budget sufficient funds to allow the replacement of combat aircraft losses up to January 1 of 1970. Now to show the magnitude of the financing involved in that, we have to date run about 100,000 attack sorties against North Vietnam. The program before you finances an additional [deleted] sorties, [deleted] percent more attacks in the future than have been carried out in the 2 years to date.

We have lost to hostile fire about [deleted] fighter and attack aircraft during the past 18 months in all of southeast Asia.

Senator YOUNG of North Dakota. At what cost?

Secretary McNAMARA. Pardon me?

Senator YOUNG of North Dakota. About how much do these planes cost?

Secretary McNAMARA. Oh, say roughly \$2 million apiece.

Senator YOUNG of North Dakota. Are the new ones more costly?

Secretary McNAMARA. Well, there is a mixture. Generally, yes, but roughly \$2 million apiece. We are financing in these budgets the loss of an additional [deleted] fighter and attack aircraft per year from hostile fire in southeast Asia. Now this is the basis on which we have prepared the 1967 supplemental and the fiscal year 1968 program. We believe it will prove adequate to finance all combat operations plus other military needs until the fiscal 1969 funds become available, barring unforeseen emergencies. Now I want to emphasize that I cannot look to the future and project it precisely and accurately, but as best we can see, we have provided for the needs of the conflict in South Vietnam and our other military requirements.

Senator YOUNG of North Dakota. Does it take into account payments for the casualties, to their families over a long period of years? This would involve a lot of money.

Secretary McNAMARA. It takes account of whatever payments the Defense Department would incur during this period—

Senator YOUNG of North Dakota. Only during these periods. Of course these payments could go on for 50 years or more.

Secretary McNAMARA (continuing). It does not fund, for example, retirement benefits beyond the period involved, and it does not fund other payments that extend over a larger period of years that we are not allowed to request appropriations for in the current year.

Senator YOUNG of North Dakota. But these payments will be greatly accelerated as a result of the war.

Secretary McNAMARA. Yes, although I do not think it will be large in relation to the magnitude of the budget.

Senator YOUNG of North Dakota. Does it take into account our economic assistance in South Vietnam?

Secretary McNAMARA. This is just military. Only the Defense Department appropriations are included in these budgets.

Senator YOUNG of North Dakota. And it does not take into account President Johnson's proposed great economic assistance.

Secretary McNAMARA. No, this is Defense Department appropriations only.

Chairman RUSSELL. Senator McClellan.

#### F-111 AIRCRAFT

##### 1967 FUND OBLIGATION FOR F-111B AIRCRAFT

Senator McCLELLAN. Mr. Chairman, I assume we are on both budgets, are we not?

Chairman RUSSELL. No. We have been trying to confine this to the supplemental as well as we could. I had hoped we could conclude that very shortly and then go into the whole 1968 budget.

Senator McCLELLAN. I have a series of questions. I can ask some of them. It is hard to separate them, but I would like to ask some few questions then on this supplemental and then have an opportunity later to ask the other ones.

Mr. Secretary, the Department of Defense Appropriation Act of 1967 placed a limitation of \$7.8 million on the funds that could be expended on the production of the Navy's F-111B aircraft. I would like you to advise us of the amount of fiscal year 1967 funds that have been obligated for the production of the Navy's F-111B aircraft.

Secretary McNAMARA. Yes, I will be happy to, Senator. May I do it for the record? I do not have the figure in mind at the moment.

Senator McCLELLAN. Very well.

(The information follows:)

As of December 31, 1966, the Navy had not committed or obligated any funds for procurement of F-111Bs. This pertains to the \$7.8 million which was appropriated by the Congress for long lead time items. However, these funds have been apportioned and released to the Navy for procurement of F-111B components. Of the \$7.8 million, \$7,150,000 will be used for advanced procurement of long lead time engine components and the balance for electronics and other government furnished equipment.

##### NONFUNDING OF H-111B AND F-111A AIRCRAFTS IN SUPPLEMENTAL

Senator McCLELLAN. How much is there in this supplemental budget for the procurement of the Navy plane, the F-111B?

Secretary McNAMARA. I believe no funds are provided. I can check that over lunch time and make certain my answer is correct. I can check it now if you wish to take the time.

Senator McCLELLAN. Can you state also how much is in this supplemental budget for the procurement of the Air Force F-111A? I believe that is the Air Force fighter.

Secretary McNAMARA. Yes. I can do that right now if you wish to take a moment.

There are, I believe, no funds in the supplement for the F-111A, and none for the F-111B.

Senator McCLELLAN. None for either?

Secretary McNAMARA. That is correct. The reason is that those funds were provided for in the basic budget. The supplemental is limited to southeast Asia associated activities, and of course those planes are not associated with southeast Asia.

Senator McCLELLAN. Is there anything in this supplemental budget for research and development of either of the planes?

Secretary McNAMARA. No; I believe not.

1967 FUND OBLIGATION FOR F-111B AIRCRAFT

Senator McCLELLAN. Nothing for that. When \$7.8 million was appropriated, that appropriation was limited to longtime lead items for the Navy plane, I believe?

Secretary McNAMARA. I think that is correct.

Senator McCLELLAN. Has that been committed?

Secretary McNAMARA. Senator, as I mentioned a moment ago, I will have to check the record. I do not have the figures at hand.

Senator McCLELLAN. Will you advise us about that?

Secretary McNAMARA. Surely, I would be very happy to.

Senator McCLELLAN. And will you advise whether any part of it is committed?

Secretary McNAMARA. Yes, I will be happy to.

TF30P12 ENGINE RESEARCH AND DEVELOPMENT

Senator McCLELLAN. Has any part of it been committed for the procurement or for research and development of the new airplane engine known as the TF30P12, which I understand has not yet been developed? I believe that engine is contemplated to take the place of the TF30P1, which was the engine that was included in the original design and proposal that was submitted for these two places, the F-111A and the F-111B. Will you advise us about that?

Secretary McNAMARA. Surely.

Senator McCLELLAN. Is that correct?

Secretary McNAMARA. I will be happy to determine the funds, if any, that have been used for that purpose.

Senator McCLELLAN. Am I correct in the statement that I have just made, that the TF30P1 engine is the engine that was contemplated as proposed or included in the designs that were proposed by the contractor?

Secretary McNAMARA. Let me answer it obliquely this way to say that the P12, which is not a new engine, but a development from the P1, I believe, is the Navy's choice for the F-111B. I am not sure that the P1 was the engine contemplated at the time the designs were reviewed in the fall of 1962. I have a feeling there was a different number on the engine, but I am not entirely sure of it. I would like to go back and check the record of 1962.

Senator McCLELLAN. Will you include that in your comments which you submit for the record?

Secretary McNAMARA. Yes, indeed.

(The information follows:)

The original design specification referred to a Pratt and Whitney engine of the YTF10A-20 type.

#### F-111 CONTRACT NEGOTIATIONS

Senator McCLELLAN. Mr. Secretary, I have received information that the contracting personnel of the Air Force and General Dynamics reached agreement on the production contract for the F-111 program about July 1966. Has this contract been finally approved?

Secretary McNAMARA. No.

Senator McCLELLAN. What is delaying it?

Secretary McNAMARA. Mr. Vance and I felt that it did not properly protect the Government interest, and we asked, therefore, that it not be signed.

Senator McCLELLAN. Did not what?

Secretary McNAMARA. Did not properly protect the Government interest.

Senator McCLELLAN. What has been done during the past 6 months?

Secretary McNAMARA. The details of the contract have been further reviewed, and changes made in its terms, and I hope and believe that it will be signed shortly.

Senator McCLELLAN. Would you give us some anticipated date when it will be approved?

Secretary McNAMARA. Well, I will be happy to check. I have not followed it in the last 2 or 3 weeks, Senator McClellan. I would hesitate to give it to you offhand today.

(The information was not available at the time of printing and will be later furnished to the committee.)

#### F-111A AND F-111B ESTIMATED PRODUCTION COST

Senator McCLELLAN. We see a lot of reports in publications about the cost of these planes. Would you tell us what is the current estimated production cost of the F-111A, the Air Force plane?

Secretary McNAMARA. Yes. Again since it is not part of the supplemental, and I do not have the data with me this morning, Senator McClellan, I would like to add the answer to the record.

Senator McCLELLAN. Very well. That is a problem. It is hard to confine it just to the supplemental. Will you then also give us the cost, the current estimated cost of the F-111B, the Navy version of the plane?

Secretary McNAMARA. To the extent that such data are available; yes. The reason I qualify my statement on the Navy F-111B is that it is not as far along in development as is the F-111A.

(The information follows:)

Data previously submitted by the contractors would yield unit costs for the F-111A and the F-111B, respectively, of \$5 million and \$8 million. No agreement has been reached on these figures and costs are now under intensive review in connection with current negotiations on production contracts and detailed analyses are being developed. Total unit costs will also be affected by pending decisions on avionics and other characteristics of production aircraft.

## NONKNOWLEDGE OF STUDY COMPLETION

Senator McCLELLAN. I understand, this may or may not be correct, that the Air Force, Navy, and the principal contractors involved in the F-111 program recently completed a very extensive cost study of the development and production phases of this program. Would you state whether that is correct, that understanding, or if it is incorrect?

Secretary McNAMARA. I do not know of any recently completed intensive cost study made by the contractors and the services, Senator McClellan. We continually revise our estimates of the cost but the Air Force plane is much closer to production than is the Navy plane, and the production cost estimates for the Air Force plane which you asked for, are much more reliable than those for the Navy version, and I am not entirely certain exactly what condition the Navy production cost estimates are in.

Senator McCLELLAN. The question was regarding a recently completed and extensive cost study. You say that you do not have that?

Secretary McNAMARA. I say that I do not know of any recently completed cost study of the production cost of Air Force and Navy planes.

Senator McCLELLAN. I am talking about this particular program.

Secretary McNAMARA. This is just exactly what I am talking about. I have asked my Comptroller to work with the services to ensure that we have up-to-date production estimates of the costs and to work with the companies to ensure that we have adequate explanations of any variations in estimates from the past. But I do not know of any study that has been completed on those. As a matter of fact, I am not satisfied with the data that I have at hand at the present time on some of the aspects of that program.

Senator McCLELLAN. That is my understanding, that you were not. I thought surely you were having cost studies made, and were receiving estimates of the cost and would do that before you entered into any contract.

Secretary McNAMARA. Cost studies are being made, as I indicated, but I know of no recently completed cost study by the contractors and the Air Force and the Navy, which is the specific reference in your question.

Senator McCLELLAN. Can you tell us the date of the last completed study?

Secretary McNAMARA. I will be happy to get it for you. I do not think that there are such things as completed studies in the way you are using the term. There are continuing estimates and periodic reappraisals of the figures, but there is no completed study that I am aware of, either now or in the recent past.

Senator McCLELLAN. When I say completed, I understand it is a continuous examination into information you have, but I think you do—I feel certain that you do from time to time have the situation reviewed, and a report made as to what is indicated at that given time, do you not?

Secretary McNAMARA. Oh, yes.

Senator McCLELLAN. That is what I am talking about.

Secretary McNAMARA. The last time we had a definitive study of costs by the contractors was at the time we negotiated the contract with the United Kingdom, and that would have been roughly a year and a half ago. I am not positive of the date.

Senator McCLELLAN. You mean you have made no substantial check—

Secretary McNAMARA. No.

Senator McCLELLAN. On the anticipated cost since then?

Secretary McNAMARA. No, that is not what I said. I said the last time we had a definitive study of the cost by the contractors was at the time of the negotiation with the United Kingdom, and at that time we made a very comprehensive study and obtained commitments from the contractors as to the costs that they would stand behind on a certain quantity of aircraft which the United Kingdom was interested in buying.

Now since that time the contractors have been engaged in continuing the development of the U.S. aircraft and have continued to modify their estimates, but they have not made what I would call "definitive" cost studies since that date. There have been estimates by the contractors on several different occasions since that time.

#### BRITISH PROCUREMENT OF AIRCRAFT

Senator McCLELLAN. The cost study and understanding with the British Government was definite as to the cost—

Secretary McNAMARA. Yes.

Senator McCLELLAN. To that Government—

Secretary McNAMARA. Yes.

Senator McCLELLAN. For the planes that they would get.

Secretary McNAMARA. That is correct.

Senator McCLELLAN. Would you give us that figure?

Secretary McNAMARA. Yes, surely. When I say it was definite, let me qualify it to this degree, that the control system which they wanted installed in that plane had not been fully determined by them at that time, and the cost therefore was for a specified fire control system different from the one that they indicated in the contract that they would probably order. With that qualification, the cost was definite.

(The information requested is classified and was furnished separately to the committee.)

Senator McCLELLAN. Will their costs be comparable to the costs to our Government for the same planes?

Secretary McNAMARA. Essentially, yes. We are not going to buy the same planes, because their fire control system is different from ours. But I would say that to the extent the planes are the same; yes.

Senator McCLELLAN. How many different versions are there of this plane?

Secretary McNAMARA. A very substantial number. There is the United Kingdom version, there is the Australian version, there is the F-111A for the Air Force, the F-111B for the Navy, the FB-111 for the bomber version, and what I am going to call a reconnaissance version, which is the Air Force plane with reconnaissance equipment. So I would say, to answer your question, there are six versions.

Senator McCLELLAN. In the basic versions, there are only three, are there not, or only four?

Secretary McNAMARA. I would give you the six.

Senator McCLELLAN. You would say six basic versions?

Secretary McNAMARA. Six with substantial differences, let us put it that way. I do not know what you call basic. But the United Kingdom version is really quite different from the F-111A because of the fire control. The aircraft is the same essentially, but the fire control equipment is substantially different.

Senator McCLELLAN. In other words, the fighting equipment in the planes may be different—the frame and so forth is the same, but they equip the planes with different fire control and fighting equipment.

Secretary McNAMARA. I would not add the term “fighting equipment,” because the bombing equipment is likely to be very similar, but the fire control system can be quite different.

Chairman RUSSELL. Senator, I am very sorry.

(Discussion off the record.)

Chairman RUSSELL. Senator Cannon.

#### RECENT F-111 AIRCRAFT CRASH

Senator CANNON. Thank you, Mr. Chairman.

One further question along the line of Senator McClellan's, and it should appear at the same place in the record. Would you give us your comments on the recent difficulties—I am referring to the crash of the F-111 I believe that occurred last week—where the airplane caught on fire?

Secretary McNAMARA. I do not have the full facts on it, Senator Cannon. I will be happy to give them to you after the investigation is completed and the report is submitted to me.

(The information was not available at the time of printing and will be later furnished to the committee.)

#### SOUTH VIETNAM WAR

##### IRON TRIANGLE OPERATION

Senator CANNON. Back to South Vietnam, this last operation through the Iron Triangle seemed to be a very successful one. However, when I was out there about 15 months ago, they were conducting an operation through the Iron Triangle and accordingly had to go through it all over again about 14 months later. Are steps being taken to definitely eliminate that as a VC stronghold in the future?

Secretary McNAMARA. Yes, would you like to answer that?

General WHEELER. I would like to respond to that if I might, Senator. It is quite true that several times in the past year there have been operations conducted both from the south and from the north against what I would call portions of the Iron Triangle. However, at no time in the past did they completely sweep the area and go into the thorough destruction of facilities which you mentioned.

General Westmoreland's intent on this occasion is to penetrate the entire Iron Triangle area, and thereafter to destroy it. In other words, to ferret out all of the caves, all of the tunnels, all of the underground

supply installations, destroy them with explosives or other appropriate means.

As you know, the population, which is quiet sparse, has been evacuated, [deleted].

So to respond directly, the intent is to destroy this once and for all. [Deleted.]

#### RESEARCH AND DEVELOPMENT FUNDS FOR U.S. CAPABILITY IMPROVEMENT

Senator CANNON. Is there anything in this supplemental relating to R. & D. areas to improve our capability in South Vietnam at the present time?

Secretary McNAMARA. Yes, \$135 million specifically for that.

Senator CANNON. And are those spread out over a lot of projects or are there some major projects that you think should be called to our attention?

Secretary McNAMARA. Well, they are spread over a number of projects, but they are, I would say, basically associated with target acquisition, night vision projects, radar developments that will allow more precise target location from the air, and actions of that kind.

Senator CANNON. Does that include R. & D. on the so-called [deleted]?

Secretary McNAMARA. [Deleted.]

General WHEELER. [Deleted.]

Senator CANNON. [Deleted.]

Secretary McNAMARA. [Deleted.]

#### DEMILITARIZED ZONE

Senator CANNON. What type of monitoring are we doing now on the so-called neutral zone or the zone between the south and the north?

Secretary McNAMARA. The demilitarized zone.

Senator CANNON. The demilitarized zone. Are we monitoring that more closely than we have in the past?

Secretary McNAMARA. We have [deleted] air coverage of the area, [deleted]. General Wheeler can speak to it.

General WHEELER. [Deleted.]

I would say that there is a constant effort and certainly a greatly stepped up effort over what we had a year ago.

Senator CANNON. [Deleted.]

General WHEELER. [Deleted.]

#### SOUTH KOREA

Senator CANNON. Do I understand correctly, that there are no funds in the supplemental involving South Korea?

Secretary McNAMARA. [Deleted.]

Senator CANNON. Has there been any move on the part of South Korea to have us bolster their naval capability in view of the recent incident where they lost a ship?

Secretary McNAMARA. I think they may have asked for additional naval craft in the future military aid programs, [deleted].

[Colloquy deleted.]

Chairman RUSSELL. Senator, you have time for one more question.

Senator CANNON. I will use that to make a comment, Mr. Chairman. [Deleted.]

Secretary McNAMARA. [Deleted.]

COMMITTEE RECESS

Chairman RUSSELL. The committee will stand in recess until 2 o'clock this afternoon.

(Whereupon, at 12:30 p.m., the committee was recessed, to reconvene at 2 p.m. the same day.)



(AFTERNOON SESSION, 2:05 O'CLOCK, WEDNESDAY, JANUARY 25, 1967)

Present: Senators Russell, Ellender, McClellan, Symington, Cannon, McIntyre, Inouye, Byrd of Virginia, Young of North Dakota, Smith, Thurmond, Pearson, and Dominick.

## DEPARTMENT OF DEFENSE

### OFFICE OF THE SECRETARY

#### STATEMENT OF HON. ROBERT S. McNAMARA, SECRETARY OF DEFENSE, AND GEN. EARLE G. WHEELER, U.S. ARMY, CHAIRMAN, JOINT CHIEFS OF STAFF—Resumed

##### COMMITTEE PROCEDURE

Chairman RUSSELL. The committee will come to order. We are still on the supplemental authorization appropriation. If we may conclude the hearings on this, we will get into the regular 1968 authorization appropriation very soon. I am not trying to restrict anybody or cut them off, but I just wish to remind everyone that we are still on the supplemental. Senator Thurmond.

##### EVALUATION OF LIMITED U.S. BOMBING OF NORTH VIETNAM

Senator THURMOND. Thank you, Mr. Chairman. Mr. Secretary, I prepared these questions a couple of days ago, and you have covered some of it already. If you have covered any you may omit that part, but I want to run over them. There may be something you wish to supplement in some of your answers. I just have about four questions left, I believe.

General Wheeler I believe was quoted Monday as saying that there has been no letup in the number of North Vietnamese regulars infiltrating into South Vietnam, and that the current rate of infiltration is between 5,000 and 7,000 per month.

General WHEELER. These figures are essentially correct, Senator. I believe that the precise language that I used was as follows:

The indications are, of course, that in the last year, or the first 9 months of the last year, the infiltration has been somewhere between about 5,300 men per month to perhaps 7,500 men per month. Our figures, however, for the year—the calendar year—are not complete because it normally takes about [deleted] after a unit or a group of individuals starts to infiltrate before General Westmoreland's intelligence people can positively identify them.

Senator THURMOND. In view of the continuing ability of the Communists to move troops into South Vietnam in such large numbers, I was just wondering if you would summarize very briefly the purpose and your estimate of the effectiveness of the limited U.S. bombing in North Vietnam?

Secretary McNAMARA. Are you addressing it to me, Senator?

Senator THURMOND. Yes.

Secretary McNAMARA. Perhaps I could refer to the record here. I think. I have covered that fully. If I haven't, I would be very happy, sir, to elaborate on it later, if you feel I have not covered it in the record.

Senator THURMOND. Would you elaborate on that a little more, if necessary?

Secretary McNAMARA. All right, sir. Thank you.

#### EFFECTIVE U.S. PRESSURE ON NORTH VIETNAM

Senator THURMOND. Mr. Secretary, I believe you have previously admitted that the origin of the trouble in Vietnam is in Hanoi, and that orders for the prosecution of the warfare in South Vietnam are passed down from Hanoi to the south.

Do you not agree, in view of this, that the United States must apply as much pressure on North Vietnam as is necessary to get Hanoi to call a halt to the aggression in the south?

Secretary McNAMARA. In general, I do, Senator Thurmond. The question is how does one apply effective pressure on North Vietnam. I believe the most effective pressure that can be placed upon them in this instance is to prove to them they can't win in the south, and that is the basic strategy we are following.

We complement that action in the south with the bombing of the north which is designed to show them the price they pay for their continued efforts to subvert the south.

#### SUGGESTED INTENSIFICATION OF BOMBING AND CLOSING OF PORTS TO SAVE AMERICAN LIVES

Senator THURMOND. My thinking along that line is that we could expedite the conclusion or resolving of the situation, however, if we would do the two things I have heretofore mentioned; that is, to bomb more intensively the key targets in North Vietnam, and close its ports to the enemy goods. I think with what is being done there now, we can eventually keep the Communists from taking over, and we can eventually recover the area and liberate the people, but it may take years to do it, and in the meantime thousands of our boys will be killed.

I am just trying to advocate a policy here that will prevent the deaths of so many American boys. I believe this year it is estimated [deleted] American boys will be killed over there, and if we could intensify this bombing and close these ports, it might save quite a number of lives.

Mr. Secretary, why should any strategic military target which exists in North Vietnam be exempted from being bombed, and why should the United States not take the necessary steps to close all the ports in North Vietnam and particularly Haiphong, in order to prevent necessary war material from being shipped to the North Vietnamese?

Secretary McNAMARA. I think that we should do those things only if the military gain from the bombing of the strategic military target, or from the closing of the ports, would be less than the military cost of such action, [deleted].

## U.S. DOD DECISION TO WITHDRAW U.S. HELICOPTER UNIT FROM THAILAND

Senator THURMOND. I want to make an observation. When I was in Thailand, [deleted] some concern was expressed about withdrawing the helicopter squadron from there [deleted].

I was just going to suggest possibly that you may wish to give that some further consideration. I was impressed with what I saw in Thailand and what we are doing there. I visited the port, the air base under construction, and I think a fine job is being done there.

[Deleted.]

Secretary McNAMARA. Senator Thurmond, we have considered the matter, but just a short time ago I repeated the instructions that had been issued at the time the helicopter unit was sent out there last August as to our withdrawing it as of January 31. The reasons for this are twofold:

First, we believe that the Thais should themselves, within the limits of their capacity, defend their northeastern territory against the subversion that is designed to overthrow the political authorities there. And, second, we think they have that capacity, because at the time the unit was sent in in August, a careful program of building up their own helicopter strength was developed, and we agreed to train additional pilots, and as a matter of fact agreed to send them additional helicopters, for their own use, under the military aid program. So we think that they have the capacity today to support their own operations, and that, therefore, we are justified in withdrawing our squadron. As I say, that was the basis on which it was originally introduced last August.

Senator THURMOND. Infiltration by the Communists is beginning in Thailand as you know, in certain parts, and I gained the distinct impression that they feel they can control it and that they will never be in the position that Vietnam is in. I am glad we are helping them. I think it is to our advantage and to the advantage of the free world to do it.

I think it was a good decision. I hope we can cooperate in any way we can, because I feel they are our true friends and can really help us in that part of the world and will do so. I will send these questions around.

## PROGRAM TO INFORM TROOPS IN SOUTH VIETNAM OF WAR PURPOSES

Chairman RUSSELL. Senator Inouye.

Senator INOUE. Thank you, Mr. Chairman. Mr. Secretary, several weeks ago I received a letter from one of my constituents serving in the Army in Vietnam, and he said in essence, "I consider myself a good American, and I don't mind fighting for my country, but can you tell me why I am here?"

I am just wondering if you do have any sort of programing or training to orient these men and advise them of the necessity of being there.

Secretary McNAMARA. Yes; we do, both in this country and there, and I am surprised that he feels he hasn't been told. But, you might want to respond to it. I know you are are intimately familiar with it.

General WHEELER. Well, I do know, as the Secretary said, that we have a very intensive program as a part of the basic training, to explain to the men what the stakes are, why we have forces in Vietnam, and the whole complex.

Furthermore, General Westmoreland has laid on, in Vietnam, for the arriving troops, a special course of instruction having to do with the customs of the country, what they are expected to do, how to deal with the people, including, of course, the enemy they are facing, why they are facing him, and so on. So I must say I can only express the same surprise that the Secretary does, if this particular man feels he hasn't been instructed.

Senator THURMOND. Would the Senator yield just for a moment on that point?

Senator INOUE. Yes.

Senator THURMOND. On my trip to Vietnam I talked to a lot of the enlisted men as well as to officers, and I found they really knew over there better why they were there than the people over here seem to know. I think that probably is a rare exception.

#### COUNTERINSURGENCY TRAINING AND CONCEPTS

Senator INOUE. Maybe my young man was taking a nap during the lecture.

Mr. Secretary, it is apparent that the fighting man in Vietnam has a twofold job there. In the old days all he had to do was fight and kill and that was it, but now I suppose he has the job of being at times a social worker, a community project man, et cetera. What sort of training are we giving our men to carry out this second job?

Secretary McNAMARA. The officers and the noncoms are trained in this country with respect to it, and the units out there get, in effect, training on the job, and adapt remarkably well to it, very quickly, and very effectively. Again I think General Wheeler, who has been there so recently, you might want to hear from him on this.

General WHEELER. I took a reading on some figures the other day, Senator. In the past year or 15 months, we have trained about 1 million men in the Armed Forces in what we call "counterinsurgency." Actually a great part of this is devoted to civic action, factors of various kinds—how they can contribute to the acceptance of the Americans in the country, how they can help the population, and so on.

As the Secretary said, we have special courses that are conducted during the training period addressed to the same thing; and in addition, out there they actually have projects where units are devoting their efforts to helping certain communities, and the noncoms and the officers are the ones who lay on the project.

The soldiers participate, and you might say, practice on the spot some of the things they have been taught.

It has been pretty effective, as a matter of fact, and the result, I think, is the high degree of acceptability that the American forces have in Vietnam.

## DIVERSION OF U.S. MILITARY SUPPLIES FROM PROPER CHANNELS

Senator INOUE. Thank you very much. My third question, Mr. Secretary, I believe one of our illustrious Senators went to Vietnam to investigate some of our shortcomings there in the area of black marketing, et cetera. I assume that part of the goods sold on the black market were actually stolen, but I am also assuming that a goodly part of that was either sold or transferred to these Vietnamese by our troops. What sort of activities do we have to counteract this type of activity?

Secretary McNAMARA. Well, first let me give you the facts as best I can on the diversion of U.S. military supplies from proper channels. We find practically no significant diversion of what I will call combat equipment and supplies introduced into Vietnam for use by our own forces. These are vehicles, weapons, et cetera.

We have audits of our inventories and, as best one can in a battle area, compare the amounts sent into the area with the amount presently there.

A second category of goods is represented by the military assistance to our allies of combat equipment and supplies. Here again we check through audit procedures the amounts introduced into the country versus the current inventories, and given the problems in a combat area, we can account for the total amount received there very satisfactorily.

The third area, and I think the area that leads to the charge of unwarranted diversion from normal use, is the category of post exchange supplies. Here I think there has been a problem, caused in part by the very rapid expansion of the post exchange operations.

In a 2-year period, from January 1965 to December 1966, the post exchange operations increased eighteenfold. It was running \$1 million a month in January 1965. It ran \$18 million a month in 1966. That is a very large retailing operation indeed, expanding from a rate of \$12 million a year to over \$220 million a year.

I think the controls during that buildup period were perhaps not as effective as they should have been. The result is that we feel that for the 19 months, 5.8 percent of the goods shipped into the country as post exchange supplies were diverted without cause or without justification from normal channels of distribution.

Now that 5.8-percent rate has, we believe, been brought down to 4 percent at the present time. Of that 4-percent amount, three-quarters is pilferage and the other quarter waste and deterioration.

The 4 percent is not as high as you might think it to be, because the average for such losses in department stores in this country, commercial enterprises, retailing enterprises, is about 1.5 percent, compared to our 4 percent in Vietnam today.

Worldwide, the post exchange system has a loss ratio of about .6 percent compared to 4.0 percent in Vietnam today, so the rate is still above average. It is above the level we would like to see it. But it is not alarmingly high, and I think that it is consistent with the unusual conditions in which we are operating.

Senator INOUE. Thank you very much.

## QUESTIONS FOR 1968 BUDGET CONSIDERATION

Chairman RUSSELL. Senator McClellan, anything further on the supplemental?

Senator McCLELLAN. Mr. Chairmain, I would like to resume on this same topic I was inquiring about this morning. Mr. Secretary, is the Air Force F-111 activation schedule the same as was planned last year, or has there been a delay in the activation of the squadrons?

Secretary McNAMARA. I would like to answer this and then ask Senator McClellan's permission to discuss the F-111 later in the hearing, when we come to fiscal year 1968 budget, because there is no financing associated with it in the supplemental.

Senator McCLELLAN. Very well. Mr. Chairman, I am perfectly willing to defer to get to the other budget, if I can be present. That is all I am trying to do.

Chairman RUSSELL. I don't think we have a great deal more on the supplemental.

Senator McCLELLAN. I am perfectly willing. I think these questions should be directed to the regular budget.

Chairman RUSSELL. Senator Cannon.

Senator CANNON. Mr. Chairman, I don't have any more questions on the supplemental. I have one comment to make off the record if I may.

(Discussion off the record.)

Chairman RUSSELL. Senator Miller.

## B-52 UTILIZATION

Senator MILLER. Thank you, Mr. Chairman. At the risk of us all catching Asian flu, I would still like to get back to Vietnam again.

Mr. Secretary, could you tell us why B-52's have not yet been used over North Vietnam except, as I understand it, in the demilitarized zone?

Secretary McNAMARA. Yes, really for three reasons. One, we have adequate airpower for use against North Vietnamese targets in the tactical aircraft, fighter and attack craft. Hence we don't need the B-52's.

Secondly, the B-52's are designed for pattern bombing, which is not as precise as the kind of pinpoint bombing required for some of the targets in the north which the fighter and attack aircraft are capable of performing.

Third, the risk of loss of B-52's to surface-to-air missile systems, is greater than the risk of loss of fighter and attack aircraft. So for all three reasons we think at least at present there is no need for B-52 operations over North Vietnam.

## EFFECT OF INTENSIFIED BOMBING OF NORTH VIETNAM

Senator MILLER. General Wheeler, assuming that if additional military targets in North Vietnam were taken out, they would not, as some have suggested, materially reduce the flow of troops and supplies to the south, would there still not be a military or a substantial military advantage to taking out these additional military targets, if by doing so it would tie up thousands of more civilians?

As I understand it, some 200,000 to 300,000 civilians are estimated to be tied up now as a result of the bombing we have done, so wouldn't it follow that there would be another 100,000 or 200,000 that would be tied up if certain other targets were taken out?

General WHEELER. [Deleted.]  
[Deleted.]

Senator MILLER. I believe there is an increasing number of people in this country who have the feeling that this war could be shortened substantially, if we would take out additional military targets.

I would guess that a great many of them think that this would help to impede the flow of troops and supplies from the north to the south. But for the sake of argument, even if it didn't do that, it would suggest that tying up another 100,000 or 200,000 civilians up there would perhaps be the straw that breaks the camel's back, so that the persuasiveness that we are trying to get across to these leaders in Hanoi might work.

#### BOMB INVENTORY IN SOUTH VIETNAM

Mr. Secretary, for the record, I am sure you don't have this handy, but for the record would you mind furnishing us the bomb inventory picture in South Vietnam, and preferably on the basis, of 500-, 750-, and 1,000-pound bombs say from July 1965 through the most recent date that you can?

Secretary McNAMARA. Surely, I will be very happy to.

Senator MILLER. By month, or if you can do it, break it down beyond that, although I doubt that you can.

Secretary McNAMARA. Yes, I would be very happy to. I just noticed during the noon hour the latest bomb inventory report for south-east Asia [deleted] and the naval ships that are serving in the bombing operations. As of the 15th of January we had somewhat over [deleted] tons of air ordnance on the ground, compared to [deleted] tons consumption in the first 15 days of January, so our bomb supplies are very adequate, have been for some time, and I will be very happy to give you a breakdown in those terms.

(The information requested is classified and was furnished separately to the committee.)

May I go back to your question and statement for just a moment, Senator Miller. [Deleted].

[Deleted.]

#### NORTH VIETNAM APPARENT ACCEPTANCE OF PRESENT PRICE INFLICTED UPON IT

Senator MILLER. Would you yield just at that point? If they had to off-load in a very inefficient manner 300 to 350 ships which went into Haiphong last year, this would tie up a tremendous number of people and delay things.

I am not saying that they might not get the materials out eventually, but I think that this would be a horrible problem for them to surmount, and this, added to the continued lack of being able to make progress in the south on their part, might just be the thing, the added pressure that we need.

In other words, we are going along right now, and what we are doing seems to be an acceptable price for them to pay for their con-

tinued aggression. We don't know how much more the price is going to have to be, but it might not have to be very much higher.

#### AMERICAN IMPATIENCE TO SHORTEN WAR

It might have to be substantially higher. I am sure that you and the Joint Chiefs have talked about this a lot. But I would have to point out to you that I think today, compared to say 6 months ago, there are many, many more people throughout the country who are getting impatient, and feel that this war can be shortened, and I don't know what you are going to do to offset this opinion, but it is there.

Secretary McNAMARA. I think that there are two problems. One is what action will shorten the war, and that is our primary responsibility.

Senator MILLER. That is right.

Secretary McNAMARA. And the second is how to prove to our people that we are acting in a way that will produce the shortest possible war and the lowest possible casualty count. These problems are separate, and I don't think we ought to confuse one with the other.

Senator MILLER. [Deleted.]

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

#### BUDGETARY ASSUMPTION OF WAR TERMINATION

Senator MILLER. Mr. Chairman, I just have one more question. I would like to go back to the question I asked you the other day, Mr. Secretary, about this July 1 assumption for the current fiscal year; that is, that the war would be ended by July 1 as an arbitrary assumption.

I asked you at the time whether there was any indication from our military people that this was a likely assumption. I would just like to ask again is there any indication from any of our military people, such as the Joint Chiefs of Staff or General Westmoreland, that there is anything but the remotest possibility that the war might be over by July 1, 1967?

Secretary McNAMARA. I don't think they were willing to predict one way or another, nor should they have been willing to predict under those circumstances. So there wasn't any indication that the war would be over, and I don't think there was any indication as to when it would be.

But neither was there any reason to believe then or now for that matter, that this was other than the most prudent basis on which to present the budget.

Senator MILLER. In other words, there was really a divorce between military opinion on this, and budgetary considerations.

Secretary McNAMARA. Well, I think the military opinion fully supported the basis on which the budget was submitted.

The budget is a financial document, not a military plan or a forecast, and at no time did we ever state that we believed the war would terminate on June 30, 1967, or earlier. But we did state then—and I think with hindsight that we were correct—that the financing of the initial fiscal year 1967 budget operations through June 30, 1967, and

not beyond, was by far the most prudent basis on which to submit that budget.

Senator MILLER. I would be inclined to agree with you on that, and I recognize that the military people are only concerned with whether they are going to get what they need.

Secretary McNAMARA. Exactly.

#### CONFUSION OF PUBLIC MIND

Senator MILLER. But at the same time when this date was used, I think there was some idea in the public mind that there was some euphoria on the part of possibly our military leaders that this conflict might end by that time. When I was over there a year ago, the impression I got, especially around Cam Ranh Bay, was that this was not going to end by July 1, 1967.

General WHEELER. I would like to comment on what you just said, Senator. I can assure you that the Joint Chiefs of Staff as a body, and in their service capacity as Chiefs of services, never thought this date of June 30, 1967, was anything more than a budget guideline, which, of course, the Secretary provides annually for the preparation of the budget for the forthcoming fiscal year.

Senator MILLER. Thank you very much. Thank you, Mr. Chairman.

#### ENEMY SUBMARINE ACTIVITY

Chairman RUSSELL. I think that was made perfectly clear in the testimony. The Secretary of Defense stated that several times during the hearing last year. It wasn't a prediction. It was just a standard of financing.

General Wheeler, has there been any instance where any of our ASW devices have located any submarines playing around the 7th Fleet units out there?

General WHEELER. [Deleted.]

Chairman RUSSELL. The Chinese do have quite a submarine base over there right across the Tonkin Gulf, don't they?

General WHEELER. They have a base on the far side of Hainan Island, Mr. Chairman. [Deleted.]

Chairman RUSSELL. I suppose we are maintaining a very high degree of vigilance in undertaking to detect any possible submarines.

General WHEELER. We certainly are, sir. The Navy commanders, as you will see when you go out on the carriers, are flying the usual air patrols above, ahead of, and around the carriers, and also have the picket ships and screen ships out listening for any other type of activity, such as possible submarine activity.

#### NAVAL GUNFIRE

Chairman RUSSELL. I suppose both of you gentlemen are familiar with this particular chart that shows the range of naval gunfire?

General WHEELER. Yes, sir.

Secretary McNAMARA. Yes, sir.

Chairman RUSSELL. [Deleted] have any estimates been made as to what it would cost to put one of our four battleships back into operation?

Secretary McNAMARA. Yes, sir. The Navy has reviewed that possibility, and has made some cost estimates.

Chairman RUSSELL. General Wheeler wrote a letter last year.

General WHEELER. That is right, sir.

Chairman RUSSELL. That gave \$11 million.

General WHEELER. I believe that was the figure, Mr. Chairman.

Chairman RUSSELL. [Deleted.]

Secretary McNAMARA. [Deleted.] Perhaps you would like to query the Chief of Naval Operations more extensively on this matter.

Chairman RUSSELL. [Deleted.]

Secretary McNAMARA. [Deleted.]

General WHEELER. [Deleted.]

[Colloquy deleted.]

Chairman RUSSELL. There is a difference as I recall between a 280-pound shell on the cruisers and a 2,600-pound or 2,100-pound shell on a battleship.

General WHEELER. Roughly your 8-inch-gun shell weight, I believe, is correct, sir. The shells on the battleships come in various weights, depending upon whether it is armor piercing, high explosive, and so on. But you can say in general that it is over a ton.

Secretary McNAMARA. I think, Mr. Chairman, that at the same range the cruisers and destroyers are thought to be quite effective in relation to the targets they are directed against, and the additional weight of attack that could be provided by the battleships' larger guns isn't considered necessary.

At the greater ranges—and here I am speaking on something I am not intimately acquainted with but have heard Admiral McDonald speak on—at the greater ranges the battleship requires some “spotting in” technique, probably requiring air power. Hence this long-range firepower doesn't have all of the advantages that one might think at first glance.

Chairman RUSSELL. I think that is correct. They probably would need some assistance in locating their targets, particularly in that flat terrain there.

Secretary McNAMARA. Yes. In any event I know—

Chairman RUSSELL. That wasn't true in Korea.

Secretary McNAMARA. That is right.

Chairman RUSSELL. They could fire against a mountain and cause landslides to close a railroad.

Secretary McNAMARA. Exactly. In any event, I know Admiral McDonald would be prepared to discuss this with you, sir.

#### RESERVATION OF QUESTION FOR 1968 BUDGET CONSIDERATION

Chairman RUSSELL. I will reserve it then and talk to him about it when he comes over here on the 1968 appropriations. I hope I haven't any hypothesis on this matter, but it seems to me that if we save the life of just one flier, and did the same job with the guns of a ship—looking at it purely from a mercenary standpoint, two or three of our all-weather planes would cost more if they were shot down than outfitting a battleship and sending it out there would cost. [Deleted.]

I think there is a breaking point everywhere, as we encountered it in Korea. [Deleted.]

## MILITARY ACTIVITIES IN COMMUNIST CHINA

Senator McIntyre, do you have any questions?

Senator McINTYRE. I have one or two, Mr. Chairman.

Mr. Secretary, I am not sure, there may have been some comment on this, but how good is our military intelligence, our intelligence concerning military activities that may be going on in mainland China, Red China?

Secretary McNAMARA. [Deleted.]

[Colloquy deleted.]

Senator McINTYRE. Thank you, Mr. Chairman.

Chairman RUSSELL. Senator Pearson?

Senator PEARSON. No questions.

Chairman RUSSELL. Senator Dominick?

## NONCOMBAT FACILITY CONSTRUCTION

Senator DOMINICK. Just a couple.

On page 6 of your statement, you say about the amount of money that is being appropriated or being asked for, for military construction, for housing and other categories of noncombat facilities, the rate at which we will expend it will depend upon economic developments during the next 12 to 18 months. This is at the bottom of page 6 of your statement.

Secretary McNAMARA. Senator Dominick, I think this is in the fiscal year 1968 statement.

Senator DOMINICK. But in the process of this, you also refer to the fact that you did not put any in the fiscal 1966 and 1967 budgets. I would presume that there are some funds, in the present supplemental that we are considering, or am I wrong?

Secretary McNAMARA. There are no funds for military family housing construction in the United States in the present supplemental, and there are no funds for what I would call noncombat facilities in the present supplemental, other than some amounts for the expansion of training facilities in this country directly associated with the operations in southeast Asia. The standard for development of the supplemental was to include nothing in that request which that was not directly related to our operations in southeast Asia.

## WITHHOLDING OF 1966 CONSTRUCTION EXPENDITURES

Senator DOMINICK. Have the funds that you say are now in the supplemental been withheld or expended according to the economic climate of the country here?

Secretary McNAMARA. No. The reference to the withholding of construction funds, in my main fiscal year 1968 budget statement is a reference to the authorization and appropriation for fiscal year 1966 of about \$620 million, including over \$150 million of military housing. These funds were withheld because I believed at the time that the construction capacity of the country, particularly the material-producing facilities, were being strained, and were we to release the \$620 million, we would simply be adding to the inflationary pressure. I informed the Congress that it would be my intention to withhold those funds

until such time as I felt it would be released without undue inflationary effect.

We did release it just last week. Between the time it was withheld in, I think, December 1965 and the time we released it a week ago, we found it necessary to release about \$30 to \$35 million of the total of \$620 million because of urgent military need.

Furthermore, about \$20 million or so of these construction funds was found to be no longer required. The passage of time eliminated the requirement. Therefore, last week I released on the order of \$565 million of the funds that had been withheld the previous year.

Senator DOMINICK. We will be getting into this on the 1968 budget again?

Secretary McNAMARA. Yes, we will.

#### APPARENT JUSTIFICATION OF APPROPRIATIONS AFTER DECISION NOT TO EXPEND

Senator DOMINICK. Because I want to make a comment. It seems peculiar to me that you come up and ask the committee for authorization and funds for something like this, and then use your own discretion about whether you will use it, depending upon inflation or non-inflation. It seems to me we are trying to do something here which is either necessary or not necessary.

Secretary McNAMARA. We pointed out to the committee at the time that the projects for which the funds were requested were desirable projects, but there are different orders of need and there was not a military necessity that those projects be undertaken let's say in December 1965 as opposed to January 1967. The budget, of course, for that period had been prepared 15 months before, and had been acted on 6 months before, and, in addition, we were in the midst of this very rapid buildup following the President's July 28, 1965, decision on Vietnam.

We put 100,000 troops in Vietnam in less than 120 days, and with rising Defense demand the inflationary pressures were building up in certain parts of the economy at an extraordinary rate. We were experiencing pressure on the price of aluminum, copper, and other metals. The construction unions were asking for wage increases of 30 percent. Indeed, we faced a very dangerous situation in the whole construction field, and it was for that reason that we decided to defer these postponable Defense construction projects and I think, again with hindsight, it turned out to be a very wise decision.

#### PRESERVING LAOTIAN INDEPENDENCE

Senator DOMINICK. Mr. Chairman, when we get into the regular budget, I would like to follow this up.

Chairman RUSSELL. We are going to be in the regular budget in about 5 minutes, unless somebody has further questions.

Senator DOMINICK. I have just two more questions; again in this statement, page 15, you refer to the Laotian situation, and you say in there that—

Secretary McNAMARA. The future of Laos continues to be intimately tied to the outcome of the struggle in Vietnam.

Senator DOMINICK. That is correct. What are you referring to there, because I gather you are referring to the problems that we will

have in obtaining peace, if the Laotian situation is not contained in it, is that correct?

Secretary McNAMARA. No, on the contrary, I am really referring to the problem we would face in preserving an independent Laos were we to withdraw from South Vietnam without first effectively combating the insurgency there. In other words, a North Vietnamese dominated South Vietnam would make it almost impossible to preserve an independent Laos.

Senator DOMINICK. You are putting it in reverse then?

Secretary McNAMARA. Yes.

Senator DOMINICK. What you are really saying is that if we can control the Vietnamese situation, this will automatically take care of Laos.

Secretary McNAMARA. Well, not automatically, but rather the reverse, that if we can't help stabilize the South Vietnamese situation, it is almost impossible to stabilize it in Laos.

#### WINNING OF WAR DEFINED AS ACHIEVING LIMITED OBJECTIVE

Senator DOMINICK. I have a third question, Mr. Secretary, and this is one that I am well aware that you may feel you either shouldn't or may not be able to answer. Assuming that we do not get to the bargaining table under present circumstances then, with the fighting that is going on, and forces which you say you do not anticipate increasing beyond the [Deleted] how long is it going to take us to win this war, and what do you mean by winning it?

Secretary McNAMARA. Well, let me answer the last half of the question first. What I mean by winning is to achieve our limited objective, and the limited objective is simply to preserve the right of the people of South Vietnam to shape their own future, to choose the form of their political and economic institutions, to establish their own government, and to remain independent, if they choose to be so.

#### WAR CONCLUSION AND EFFECT OF LIMITED OBJECTIVE

Now when we will win the war in that sense quite frankly I can't predict, and it isn't that I am trying to evade the question. There is just no conceivable basis on which we can make such a prediction. I can tell you that the military progress in the last 12 months has been very substantial, and has actually exceeded our expectations.

Senator DOMINICK. Does that envisage that we must take geographical control of all of Vietnam?

Secretary McNAMARA. No, I don't believe it does. We have said before that we think when we have proved to the North Vietnamese they can't win in the south while continuing to cause them to pay the price of this aggression by incurring our bombing in the north, that they will modify their strategy. Either they will go to negotiations or they will withdraw. That doesn't mean that we have to achieve complete territorial control in order to force them to that point.

Senator DOMINICK. I have trouble seeing how 45,000 men out of 275,000 is going to mean that the other 230,000 are going to quit.

Secretary McNAMARA. In the first place, the other 230,000 contain leaders and cadres in substantial numbers supplied from the north.

Secondly, the other 230,000 know that they depend upon the continued support of the north for their effectiveness and the best evidence I can give you of that is that we inflicted fatalities of over 55,000, we believe, upon this 275,000-man force, which suffered additional losses through desertion, through severe wounds, defection and so on. Therefore, it is inconceivable that the 230,000-man force, assuming 45,000 men are withdrawn, could continue to resupply themselves with men and materiel from their own resources in the south for very long.

I think they would recognize this as soon as the support from the north was withdrawn, and there would be a very rapid reduction in their activity as a result. I don't mean to say there might not be small-scale guerrilla activities for an extended period. There might well be. But these would be within the capacity of the South Vietnamese Government to control, I believe.

#### ENEMY FORCES IN SOUTH VIETNAM

Senator DOMINICK. The forces in South Vietnam that have been actively engaged have been growing, have they not?

Secretary McNAMARA. No, sir. For the last 6 months they have been relatively stable.

Senator DOMINICK. Until that point they were progressively growing?

Secretary McNAMARA. Well, even for the last 9 months they have been essentially stable. Up to that point they had been progressively growing. You are quite right.

Senator DOMINICK. Thank you very much, Mr. Chairman.

Chairman RUSSELL. Are there any further questions relative to the supplemental?

#### INCIDENCE OF MALARIA AMONG TROOPS IN SOUTH VIETNAM

Senator SMITH. Mr. Chairman, I have just one question. The Secretary may want to answer it now or in the regular budget.

Malaria has been one of our great problems through the years, and as I recall, last year you asked and received some money for a study or for some research and development on a certain strain of malaria. Would you want to give us a progress report on that?

Secretary McNAMARA. Yes. We have had a very debilitating strain of malaria in South Vietnam. The incidence of malaria among the troops has been very high in relation to its incidence elsewhere in the world. But the rate today is substantially below what it was a year ago, and I think that the work that the medical services have done is beginning to reflect itself in a substantial reduction in the incidence of malaria.

I looked at the figures just a week ago, and was very pleased with what I saw, and I will be happy to put that in the record, Mr. Chairman.

Senator SMITH. I think that might be of interest.

Thank you Mr. Chairman.

(The information follows:)

MALARIA AND OTHER DISEASES IN VIETNAM

In the highlands of South Vietnam there is a strain of falciparum malaria which is resistant to chloroquin, previously used as suppressant and for treatment. The incidence of the disease is directly related to the commitment of troops to combat in the malarious areas. Malaria first appeared in significant numbers in the summer of 1965, at which time quinine was the only useful treatment, though treatment was frequently followed by a number of relapses.

Military efforts, including an \$11.4 million research program in FY 67 have been directed at developing new antimalarial agents, new mosquito repellants, techniques for mosquito control in the jungle, and study of the mechanism of drug resistance in the malaria parasite. The adoption of the drug pyrimethamine reduced the relapse rate from 40% to 70%. Recently the adoption of diaminodiphenylsulfone (DDS) has reduced that rate to 1.5%. A new technique of aerial dispersal of insecticide is now employed in combat areas. Progress has been made in the laboratory testing of new antimalarial drugs and in our knowledge of the mechanism of drug resistance.

From January through November 1966, 140 cases of falciparum malaria associated with military personnel were reported in the United States. However, the Public Health Service has stated that these cases do not constitute a hazard insofar as spread of the disease within the country is concerned.

The incidence of malaria in Vietnam has been as follows:

[Rate equals cases per 1,000 men per annum]

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1965.....								6.5	7.8	39.6	67.2	38.4
1966.....	12.5	9.0	10.7	30.6	26.0	38.5	24.2	19.3	38.0	29.5	30.0	

Hospital admission rates (cases/1000/annum) for significant diseases including malaria for comparable quarters (July-September) of 1965 and 1966 follow:

	1965	1966
Acute respiratory disease.....	94.0	30.8
Diarrheal diseases.....	77.6	32.1
Infectious hepatitis.....	4.6	2.9
Malaria.....	8.0	30.1

<sup>1</sup> Extent of combat activity in highlands is primary factor.

BOMB INVENTORY AND CONSUMPTION IN SOUTH VIETNAM

Chairman RUSSELL. Senator Miller?

Senator MILLER. Mr. Secretary, on page 26 of your statement on the supplemental, you stated "As I noted earlier, we expect southeast Asian consumption to level off at [deleted] tons per month, but we are providing for a level of [deleted] tons."

My question is why are you providing for [deleted].

Secretary McNAMARA. The commanders have asked for more than [deleted]. I am not at all certain that we will actually consume more than [deleted]. We consumed [deleted] tons in the first half of January. Now January was affected adversely by weather to some degree, and also the B-52 operations, which are very heavy consumers of ordnance, had not reached their peak in the first half of January.

We are building to [deleted] sorties per month. We are running at about [deleted] per month rate in the first half of January. But even taking account of those factors, I would think [deleted] tons a month is probably the level we will expend.

But because the commanders have asked for more than that, we have made budgetary provision for getting more to them. We won't actually produce more unless we see that we are consuming more. But we think we should have the funds in the budget to produce more if we need it.

Now we, ultimately, will need it, no question of that. It is simply a question of when we produce it. I say we will ultimately need it for this reason: That we require about 1 million tons of air ordnance for our "peacetime" inventory when we are not producing bombs.

But when we are producing bombs, particularly at the rate of [deleted] tons a month, which is our production this month, we think we can get by with inventories of around [deleted] tons. So I have asked the services to avoid producing for what I will call "peacetime" inventory requirements during a wartime period, but as soon as the wartime operations stop, we will begin to rebuild the peacetime inventories, and we will need this production at that point, if we don't need it earlier.

Senator MILLER. Does this [deleted] pretty well come out to what the commanders collectively have asked for?

Secretary McNAMARA. The commanders have asked varying amounts at varying times. A few months ago, around October, they asked for [deleted] tons a year. Now the [deleted] tons would be [deleted] tons, which I think is a little bit below the last request.

The requests went down, based on my memory now, from about [deleted] tons per year in October to about [deleted] in say November-December. I would say that were we to ask them again, they would say about [deleted] tons, which is what I have provided for in the budget request. However, my own expectation is that we won't need more than [deleted] tons or about [deleted] a month.

If we need more than [deleted] the funds are here for up to [deleted] tons. If we need more than [deleted] the capacity is in place, and by reprogramming funds, we could get well above [deleted]. So I think we have fully provided for air ordnance, while at the same time avoiding unnecessary production and undue strain on our economy.

Senator MILLER. Thank you very much.

1967 SOUTHEAST ASIA SUPPLEMENTAL BUDGET REQUEST

Senator RUSSELL. At this point in the record there will appear the unclassified versions of the statements of the budget officers of the services, together with supporting tabulations.  
(The statements follow:)

DEPARTMENT OF THE ARMY

STATEMENT OF MAJ. GEN. CHARLES P. BROWN, DIRECTOR OF ARMY BUDGET, OFFICE OF THE COMPTROLLER

CONTINUED SUPPORT OF ARMY OPERATIONS

Mr. Chairman and members of the committee, I welcome this opportunity to appear before your committee to discuss the fiscal year 1967 supplemental budget.

The committee is aware that this supplemental budget, as far as it applies to the Army, is for continued support of Army operations in southeast Asia during fiscal year 1967. My statement on this supplemental request will cover each of the requests by appropriation to include the items for which prior authorization is required.

The Army direct budget plan for this supplemental budget totals \$5,107.2 million. This figure represents the difference between what is presently available as a result of congressional approvals on the fiscal year 1967 budget last year and the revised estimates for current support of southeast Asia operations. In addition, new obligational authority for \$351 million is being requested for the Army stock fund.

I will now cover each appropriation beginning with "Military personnel, Army."

MILITARY PERSONNEL

*Program and financing*

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 proposed supplemental
Direct program by activities:			
1. Pay and allowances of officers.....	1, 278, 583	1, 279, 911	1, 328
2. Pay and allowances of enlisted personnel.....	3, 729, 444	4, 194, 337	464, 893
3. Pay and allowances of cadets.....	7, 465	7, 465	-----
4. Subsistence of enlisted personnel.....	498, 561	641, 181	142, 620
5. Permanent change of station travel.....	606, 276	642, 150	35, 874
6. Other military personnel costs.....	48, 235	54, 020	5, 785
Total, direct program.....	6, 168, 564	6, 819, 064	650, 500
Financing:			
Transfer from "Military personnel, Navy".....	-4, 164	-4, 164	-----
Fiscal year 1967 basic appropriation.....	-6, 164, 400	-6, 164, 400	-----
New obligational authority (proposed supplemental appropriation).....	-----	650, 500	650, 500

190 SUPPLEMENTAL DEFENSE AUTHORIZATIONS AND APPROPRIATIONS

The buildup in support of southeast Asia requires additional funds of \$650.5 million to meet increased costs in almost all MPA budget activities.

The fiscal year 1967 supplemental appropriation request provides for strength increases as follows:

Year end	1967 presently authorized	1967 revised estimate	1967 increase
Officers .....	132, 049	142, 837	10, 788
Enlisted .....	1, 098, 381	1, 308, 453	210, 072
Military Academy cadets .....	2, 910	2, 910	-----
Total .....	1, 233, 340	1, 454, 200	220, 860
Average:			
Officers .....	129, 546	127, 350	-2, 196
Enlisted .....	1, 074, 160	1, 237, 825	163, 665
Military Academy cadets .....	3, 058	3, 058	-----
Total .....	1, 206, 764	1, 368, 233	161, 469

Our supplemental budget request is based on an increase of approximately 161,500 in the average total strength of the Army. This increase was needed to make additional deployments of trained personnel to Vietnam and to provide personnel for increased training to support operations in SEA.

The buildup of Army strength in Vietnam progressed from 35,000 in June 1965 to 167,000 on June 30, 1966. This incountry strength is planned to be [deleted] by June 30, 1967.

Approximately \$545.8 million is required for the pay, allowances, subsistence, travel, death gratuities and disability payments related to this increase in average total strength. Additionally, \$38.9 million is needed to meet our subsistence supply responsibility in Vietnam to include \$29.2 million in subsistence inventories based on projected deployments and \$9.7 million to cover subsistence losses due to deterioration from outside storage and pilferage.

[Deleted.]

RESERVE COMPONENTS

RESERVE PERSONNEL, ARMY

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 proposed supplemental
Direct program by activities:			
1. Reserve component personnel .....	263, 361	272, 961	9, 600
2. Reserve officer candidates .....	24, 850	30, 150	5, 300
Total, direct program .....	288, 211	303, 111	14, 900
Financing: Fiscal year 1967 basic appropriation .....	-288, 211	-288, 211	-----
New obligational authority (proposed supplemental appropriation) .....		14, 900	14, 900

SUPPLEMENTAL DEFENSE AUTHORIZATIONS AND APPROPRIATIONS 191

NATIONAL GUARD PERSONNEL, ARMY

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 proposed supplemental
Direct program by activities: National Guard personnel.....	346,533	361,813	15,280
Total direct program.....	346,533	361,813	15,280
Financing: Fiscal year 1967 basic appropriation.....	-346,533	-346,533	-----
New obligational authority (proposed supplemental appropriation).....	-----	15,280	15,280

The Reserve components supplemental request totals \$30.2 million; \$14.9 million is for the Army Reserve personnel appropriation and \$15.3 million is for the Army National Guard personnel appropriation. The requested funds are required to support the increased Reserve enlistment program (REP) and the increased Reserve Officer Training Corps military science III cadet enrollment. The increased REP input will eliminate the REP backlog caused by the intensified Active Army requirements for training spaces in fiscal year 1966 and the first half of fiscal year 1967.

OPERATION AND MAINTENANCE

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 proposed supplemental
Direct program by activities:			
1. Operating forces.....	2,081,866	3,401,672	1,319,806
2. Training activities.....	475,487	596,673	121,186
3. Central supply activities.....	1,253,057	1,555,484	302,427
4. Depot materiel maintenance and support activities.....	314,516	500,978	186,462
5. Medical activities.....	271,974	271,974	-----
6. Armywide activities.....	644,880	682,999	38,119
7. Army Reserve and ROTC.....	113,652	113,652	-----
Total direct program.....	5,155,432	7,123,432	1,968,000
Financing:			
Fiscal year 1967 basic appropriation.....	-5,122,427	-5,122,427	-----
Transfers (net) of fiscal year 1967 basic appropriation.....	-33,005	-33,005	-----
New obligational authority (proposed supplemental appropriation).....	-----	1,968,000	1,968,000

The "Operation and maintenance, Army," appropriation provides support for the Army's operational and training activities to include its worldwide deployment together with the base establishment in terms of posts, camps, stations, and other installations. Priority emphasis for fiscal year 1967 continues to be on support of combat operations in southeast Asia, operational readiness of all Army forces, and the improvement of our combat posture to achieve maximum combat power at the lowest possible cost.

The fiscal year 1967 revised estimate for this appropriation requires an increase of \$1,968 million (or 37 percent) over the amount presently available. These funds will finance the following revisions to the original fiscal year 1967 budget plan: (a) an increase of approximately

221,000 in the end strength of the Army (to a revised end strength of 1,454,000); (b) increased support of Army forces in Vietnam; (c) activation of units in the United States to replace units deployed to Vietnam; (d) an increase of 32,700 in the average civilian strength to support the increased activity in Vietnam and the increased military strength of the Army; and, (e) support of free world military armed forces in Vietnam, an activity previously financed by the military assistance program.

Due to the increased activity in Vietnam, the increased strength of the Army, and activation of units, funds are requested for (a) costs of deployments and transportation of supplies and equipment; (b) increased activity in supply depots, port terminals, and procurement operations; (c) increased training in Army training centers and Army schools; (d) additional overhaul and rebuild of equipment; (e) free mailing privileges for Army personnel in Vietnam; and (f) increased personnel processing, additional maps for Vietnam and contractual operation of communications systems in Vietnam.

Detailed explanations of these costs are included in the remarks concerning each budget program which follows:

#### BUDGET PROGRAM 2000—"OPERATING FORCES"

Budget program 2000, "Operating Forces," provides the day-to-day operational and training requirements for all Army combat, combat support, and combat service support forces. In addition, funding for other activities in Vietnam such as port operations, transportation, medical facilities, and support of Vietnam and free world military armed forces are financed by this budget program.

Since passage of the fiscal year 1967 Appropriation Act the following actions have occurred which impact upon the fiscal year 1967 supplemental request. The fiscal year 1966 actual end strength was 40,000 greater than programed and the projected fiscal year 1967 end strength will be almost 221,000 greater than originally provided for in the fiscal year 1967 Appropriation Act. This has increased the requirement for operating forces funds to finance both one-time and recurring costs to support the force structure increase. In addition, the deployment of Army forces to Vietnam has been accelerated and this requires additional resources to support the forces under combat conditions which are estimated to cost nearly twice the amount required for peacetime operations.

The fiscal year 1967 supplemental requirements for budget program 2000, "Operating Forces," of \$1,319.8 million are comprised of two major increases. The activation and deployment of Army forces and their support in southeast Asia will require an additional \$936 million. The support of Vietnamese and free world armed forces operating under combat conditions in Vietnam will require an additional \$383 million.

#### BUDGET PROGRAM 2100—"TRAINING ACTIVITIES"

Funds requested under budget program 2100, "Training Activities," are to provide for increased individual training of the Army's officers and men resulting from the Army buildup and replacement requirements, including the operation of Army training centers, Army schools and Army-wide training devices and publications.

The increased training requirements are to meet a higher trained strength of the Army and to provide replacements to maintain the Army's overall strength. The trained strength of the Army at the end of fiscal year 1966 was 1,010,200, and by the end of 1967 we expect to achieve a trained strength of 1,321,300, a 30.8-percent increase in trained strength over fiscal year 1966 level.

The total dollar amount requested for fiscal year 1967 to support this increase in training is \$121.2 million. This amount includes the following:

(a) \$38.4 million for aviation training, to train pilots and aviation maintenance personnel required to support Army aviation units both in Vietnam and in the United States.

(b) \$25.7 million for school training to provide technical skills required in newly activated units, as well as to meet continuing requirements of forces deployed to Vietnam.

(c) \$53.5 million for support of Army training centers. In order to meet added requirements for recruit training, we have opened additional recruit training centers at Fort Bragg, Fort Campbell, Fort Lewis, and Fort Huachuca.

(d) \$3.6 million primarily for aviation training devices and publications and additional facility support costs.

#### BUDGET PROGRAM 2200—"CENTRAL SUPPLY ACTIVITIES"

The "Central Supply Activities" budget program provides the funds for the management and operation of the Army's worldwide supply system. Specifically, this includes development of supply requirements by the national inventory control points; execution of contracts by the Army's central purchasing offices; receipt, storage, and shipment of materiel by the Army's supply depots; land, air, and sea transportation of equipment and supplies; loading and unloading of ocean vessels at CONUS and certain overseas ports; the control and direction required to coordinate all logistic efforts above the military post level; and the overhead to support these mission activities.

To provide this support in fiscal year 1967 for units deployed to southeast Asia and the additional Army troop strength in the United States, a total of \$302.4 million is requested in this program.

The major portion of this amount, 85 percent, represents the depot, transportation, and port requirements to ship required supplies and equipment to southeast Asia and CONUS military stations. This consists not only of recurring requirements for consumed supplies such as subsistence, ammunition, and packaged petroleum products but includes one-time costs to provide initial issue for newly organized units in the United States, the buildup of stock levels in southeast Asia [deleted].

The balance of the funds requested, 15 percent, are for increased supply and procurement, management, logistic control workload, and overhead. In developing costs to support increased workload in these functions consideration was given to the fact that this is an add-on effort; that is, much of the workload will be added to the existing budgeted workload and can be accomplished with relatively small increases to the basic fiscal year 1967 budget.

## BUDGET PROGRAM 2300—DEPOT MATERIEL MAINTENANCE AND SUPPORT ACTIVITIES

The fiscal year 1967 supplemental budget requests an additional \$186.5 million for BP-2300, "Depot materiel maintenance and support activities," to meet the requirements resulting from further expansion of the Army and increased operations in Vietnam. These funds will increase the combat and logistical capability of the Army by renewing the life of unserviceable, but economically repairable equipment.

\$123.9 million is requested for weapons/support systems maintenance, to provide for overhaul, repair, and renovation of equipment. The most significant amounts programed are for—

(a) Aircraft: \$51.2 million for overhaul of fixed and rotary wing aircraft.

(b) Automotive: \$29.3 million, primarily for overhaul of three-fourth-ton trucks and 2½-ton trucks, 5- and 10-ton trucks, and three-fourth-ton trailers.

(c) Electronic and communication equipment: \$15.5 million for radios, radars, and other types of electronic equipment.

(d) The remaining \$27.9 million is primarily for combat vehicles, ships, and general support equipment.

The \$17.9 million requested for materiel support will provide for the purchase of modification kits (\$13.3 million), basic issue list items (BILI) (\$4.3 million), and other maintenance activities. Modification kits are primarily for application to missiles and general equipment. Most of the basic issue list items are required to be issued with combat vehicles and armament items.

The \$43.3 million for maintenance support services will provide programing and planning, engineering services, engineering data and capital equipment directly related to support of SEA operations, as follows:

(a) Programing and planning: \$5.6 million for maintenance planning, programing, scheduling and reporting, and preissue engineering.

(b) Technical and engineering services: \$23.2 million for technical maintenance advice and training of troop units and forward maintenance shops, contract field services, maintenance engineering for product improvement and development of new or improved maintenance procedures. This amount also includes \$12 million for postproduction engineering formerly funded by "Procurement of equipment and missiles, Army."

(c) Technical and engineering data: \$13.5 million for the preparation, review and/or revision and printing of equipment publications pertaining to the operation, repair, and repair parts support of Army materiel. It includes engineering drawings, wiring diagrams, technical orders, engineering technical standards, technical handbooks, technical bulletins and similar publications.

(d) Technical and administrative training and tools and equipment, \$1.0 million.

BUDGET PROGRAM 2500—ARMYWIDE ACTIVITIES

The \$38.1 million supplemental requirement for "Armywide activities" includes \$15.5 million for communications; \$1.8 million for intelligence activities; \$6 million for personnel processing and related support activities; \$3.2 million for finance and audit services; \$2.3 million for official mail; \$5.8 million for headquarters-administered field activities; \$1 million for records and publications centers; \$1.3 million for headquarters and operation and maintenance of facilities; and \$1.2 million for employee compensation fund and Interagency Boards of Examiners.

PROCUREMENT OF EQUIPMENT AND MISSILES

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 supple- mental ap- propriation
Direct program by activities:			
1. Aircraft.....	563,500	957,600	394,100
2. Aircraft spares and repair parts.....	105,500	244,500	139,000
3. Missiles.....	527,000	527,000	-----
4. Missile spares and repair parts.....	27,400	33,500	6,100
5. Tracked combat vehicles.....	446,700	508,900	62,200
6. Weapons and other combat vehicles.....	59,458	80,458	21,000
7. Tactical and support vehicles.....	499,008	653,008	154,000
8. Communications and electronics equipment.....	314,315	617,215	302,900
9. Other support equipment.....	361,170	608,170	247,000
10. Ammunition.....	777,273	1,361,073	583,800
11. Production-base support.....	51,976	271,876	219,900
Total direct.....	3,733,300	5,863,300	2,130,000
Financing:			
Reimbursable sales not requiring replacement in kind.....	-100,000	-100,000	-----
Recoupments.....	-150,000	-150,000	-----
Fiscal year 1967 basic appropriation.....	-3,483,300	-3,483,300	-----
New obligational authority (proposed supplemental appropriation).....	-----	2,130,000	2,130,000

The Army's fiscal year 1967 supplemental request for the procurement of military hardware budgeted under the appropriation title, "Procurement of equipment and missiles, Army," is based on materiel costs to support combat operations in Vietnam. This request is for the procurement of major equipments and ammunition necessary to satisfy additional materiel requirements for southeast Asia beyond those amounts provided by funds appropriated for fiscal year 1967. This supplemental request includes requirements generated by the buildup and expansion of our combat forces.

The fiscal year 1967 supplemental budget estimate was prepared in accordance with logistics planning guidance of the Secretary of Defense which authorizes the Army to buy combat consumption through fiscal year 1967 procurement leadtime for approved U.S. forces and allied forces deployed in Vietnam not otherwise contained in the basic fiscal year 1967 budget as approved by Congress.

The Army's fiscal year 1967 supplemental request for PEMA totals \$2,130 million. The major portion of this request is confined to the air-

craft and ammunition activities which comprise approximately 53 percent of the total. We are requesting \$533.1 million for aircraft and aircraft spares and repair parts which is 25 percent of the total request and \$583.8 million for ammunition which constitutes 28 percent of the total. Other materiel categories which make up sizable shares of the supplemental total are other support equipment, 12 percent (\$247 million), and communications and electronics, 14 percent (\$302.9 million).

I will now discuss in some detail the dollar amounts we are requesting within the various PEMA budget activities. Within each of the activities covering end items of materiel, I will discuss those equipments which constitute the major portion of the total dollars requested.

We are requesting \$533.1 million for aircraft and spares and repair parts. Of this, \$37.1 million will procure [deleted] UH-1B/D Iroquois utility helicopters and advanced procurement of long leadtime components in support of the fiscal year 1968 planned buy; \$101.1 million will procure [deleted] AH-1G Cobra attack helicopters and advanced procurement of long leadtime components. The additional procurements reflected in these buys are required to support [deleted] and to replace combat losses in Vietnam.

The CH-54A helicopter, cargo transport, heavy lift, is a multi-engine-type primarily used for the movement of heavy, bulk equipment in detachable pods or slings which are suspended below the aircraft. Our supplemental request for \$14 million will provide for the advance procurement of long leadtime components in support of a planned buy in fiscal year 1968.

Our supplemental request of \$8.9 million to procure 140 TH-13T helicopter instrument trainers and \$12.6 million to procure 396 TH-55A helicopter primary trainers will be used in support of the expanded helicopter pilot training program.

The last aircraft end item, the airplane, utility, U-21A, is a follow-on to the U-8 Seminole and will be used for troop movements, aerial resupply, and medical evacuation. Our supplemental request of \$31.1 million will procure [deleted] of these aircraft.

Also included in the aircraft category are \$25.5 million for advanced procurement of long leadtime components in support of the planned fiscal year 1968 Chinook buy; \$71.8 million for modification and retrofit (UH-1B/D Iroquois, \$31 million; U-8 Seminole, \$12.7 million; CH-47 Chinook, \$9.8 million; OV-1 STOL-Mohawk, \$5.6 million; and others, \$12.7 million); \$38.7 million for component improvements; \$21.2 million for avionics/armament support and common ground equipment; \$139 million for high dollar value selected repair parts, support material and avionic/armament spares; \$18.3 for ground support avionics and \$13.8 million for other costs (OH-6A advance procurement, \$3.9 million, and production base support, \$9.8 million).

Our supplemental request for missiles totals \$6.1 million, which is for spares and repair parts required to support the Hawk system now in SEA.

The tracked combat vehicles included in the supplemental in the amount of \$62.2 million covers anticipated combat losses in Vietnam

and provides equipment for new units in the Army buildup plan. The first item is the M113A1 personnel carrier, of which \$11.4 million is required to procure an additional [deleted] of these vehicles. In addition, we propose to procure [deleted] M-548 cargo carriers, [deleted] M-578 recovery vehicles, [deleted] M-577A1 command post carriers, [deleted] 175-millimeter SP guns, [deleted] 8-inch SP howitzers, [deleted] 155-millimeter SP howitzers (M-109) and [deleted] 81-millimeter SP mortar carriers.

We are requesting \$21 million for weapons and other combat vehicles. Over 74 percent of this amount is sought for procurement of repair parts and support materiel and computer, gun direction, M-18. The M-18 is a general-purpose transistorized digital computer designed for field use. It is used primarily to compute firing data for artillery weapons from data inputs defining target location, weapon location, and prevailing conditions of equipment, material and weather.

We are requesting \$154 million for tactical and support vehicles. The amounts we are asking for procurement of the 1/4-ton, 3/4-ton, 1 1/4-ton, 2 1/2-ton, 5-ton, 10-ton trucks, truck tractors, semitrailers and vehicular repair parts represent more than 82 percent of the total dollars sought in this budget activity.

With respect to communications and electronics activity, we are requesting \$302.9 million. Over 39 percent of this amount, or \$119.2 million, is associated with STARCOM and includes the funds required for the expansion, continued modernization and improvement of the Strategic Army Communications System in support of the Army's mission for providing communications services for southeast Asia. The remaining portions of our request provide: [deleted] \$127.3 million for tactical communications and electronics; \$25 million for night vision equipment, and \$1.4 million for high dollar value selected repair parts and support material.

In the other support equipment activity, we are requesting \$247 million as follows: 40 percent for construction equipment; 12 percent for floating equipment; 10 percent for generators and associated equipment; 14 percent for materials handling equipment; 1 percent for POL handling equipment; 13 percent for quartermaster equipment, and 10 percent for miscellaneous equipment. Some of the more significant items to be procured are conex containers, M-19 aircraft landing mat, T-2 tankers, sulphuric acid railway tank cars, railway cars for southeast Asia; forklift trucks, and tractors.

We are requesting \$583.8 million for ammunition procurement, of which [deleted] is for 105-millimeter cartridges. Other significant procurements are 5.56-millimeter cartridges; 40-, 60-, 81-, 90- and 152-millimeter cartridges; 155- and 175-millimeter charges; flash reducers and projectiles; stockpile components for the 2.75-inch rocket, and other ammunition in support of SEA.

In the remaining budget activity, "Production base support," our request totals \$219.9 million, of which 98 percent is in support of both contractor and Government-owned industrial facilities.

198 SUPPLEMENTAL DEFENSE AUTHORIZATIONS AND APPROPRIATIONS

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Program and financing

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 supple- mental ap- propriation
Direct program by activities:			
1. Military sciences.....	160,518	160,518	-----
2. Aircraft and related equipment.....	109,579	113,579	4,000
3. Missiles and related equipment.....	722,491	722,491	-----
4. Military astronautics and related equipment.....	14,000	14,000	-----
5. Ships, small craft, and related equipment.....	895	895	-----
6. Ordnance, combat vehicles, and related equipment.....	196,214	196,214	-----
7. Other equipment.....	271,243	307,243	36,000
8. Programwide management and support.....	78,298	78,298	-----
Total direct program.....	1,553,238	1,593,238	40,000
Financing:			
Unobligated balance available for subsequent year.....	3,460	3,460	-----
Fiscal year 1967 basic appropriation.....	-1,528,700	-1,528,700	-----
Transfer from "Emergency fund, Defense" (79 Stat. 872).....	-27,998	-27,998	-----
New obligational authority (proposed supplemental ap- propriation).....	-----	40,000	40,000

The RDTE portion of the Army fiscal year 1967 supplemental budget request totals \$40 million which requires authorization as well as appropriation. These funds are to provide for new or accelerated R. & D. efforts in support of military operations in southeast Asia.

The largest dollar amounts are requested for the following projects:

*Program to develop better ways and means to impede or halt infiltration from North to South Vietnam* [deleted]

These funds will provide for RDTE support of tasks assigned to this program.

*Electronic warfare quick reaction capability (EWQRC)* [deleted]

This program provides financing for classified priority electronic warfare requirements.

*Sea-Niteops (\$25 million)*

This program consists of a number of integrated programs designed to expedite selected R. & D. projects which will provide a highly improved night combat capability in southeast Asia. Sea-Niteops has been designed to capitalize on technology learned through success experienced with the first generation night devices developed for use in Vietnam. The \$25 million requested in this supplemental will finance the following specific developments:

*Night vision (\$10 million)*

The items to be developed under this program provide for handheld type night vision equipment; aircraft and vehicle mounted stabilized night-sight devices; controlled illumination arc searchlight and a tripod or vehicle-mounted image intensifier telescope. Also included is the further development of a low light level television system (LLTV) used primarily in helicopter operations and a FAR infrared target indicator device for passive search and acquisition of vehicular targets.

*Ground surveillance target acquisition* [deleted]

This project will provide for the development of a 360° counter-mortar radar for locating guerrilla mortars from any direction.

*Airborne surveillance target acquisition* [deleted]

Developments under this program include a forward looking infrared system (FLIR) used in helicopter operations or nighttime viewing; Project Seamore will greatly increase the infrared and side looking airborne radar capability. The requested funds will also provide for development of a multisensor reconnaissance helicopter configuration.

*Airborne combat and ground based surveillance items* [deleted]

Developments include a [deleted] and a lightweight, hand-held surveillance radar.

*Aircraft suppressive fire systems* (\$4 million)

Projects under this program which have been integrated into the Sea-Niteops concept will provide for a moving target detection system (Motardes): an improved M-5/M-6 sight, which will provide for improved acquisition and identification of potential targets, and a [deleted] fuze having a potential [deleted] improvement in lethality with a [deleted] reduction in cost to kill ratio.

MILITARY CONSTRUCTION

*Program and financing*

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 proposed supplemental
Direct program by activities:			
1. Major construction .....	124,645	413,145	288,500
2. Minor construction .....	5,700	5,700	-----
3. Planning .....	11,000	11,000	-----
4. Supporting activities .....	500	500	-----
Total direct program .....	141,845	430,345	288,500
Financing:			
Recoupments .....	-6,288	-6,288	-----
Fiscal year 1967 basic appropriation .....	-114,014	-114,014	-----
Transferred from:			
"Military construction defense agencies" (79 Stat. 835) .....	-21,543	-21,543	-----
New obligational authority (proposed supplemental appropriation) .....	-----	288,500	288,500

The military construction part of the fiscal year 1967 supplemental budget amounts to \$288.5 million. Of this total, \$217.2 million is for construction in Vietnam, \$38.8 million in Thailand, and \$5.8 million in other overseas locations. The remainder, \$26.7 million, is for construction in the continental United States.

The portion of the program in the United States consists of training, logistical, and medical facilities required to accomplish the Army mission in support of southeast Asia operations. The same is true of the construction planned in such overseas locations as Okinawa, Japan, and the jungle training school [deleted].

200 SUPPLEMENTAL DEFENSE AUTHORIZATIONS AND APPROPRIATIONS

The items in Thailand are principally port and road construction. Those in Vietnam consist of operational and logistical facilities as well as improvements to troop cantonments.

ARMY STOCK FUND

Program and financing

[In thousands of dollars]

	Presently available	Revised estimate	Proposed supplemental
<b>Program:</b>			
Obligations by material category:			
Ground equipment parts and supplies.....	43,100	77,300	34,200
Aeronautical supplies.....	314,500	315,900	1,400
Missile parts.....	58,100	45,500	-12,600
Tank and automotive supplies.....	184,400	349,500	165,100
Weapons and fire control supplies.....	99,800	160,700	60,900
Special weapons and chemical supplies.....	5,900	5,200	-700
Electronic supplies.....	92,800	118,300	25,500
Retail, MAP, and reserves.....	167,000	41,400	-125,600
Petroleum and allied products.....	116,900	132,300	15,400
Defense Supply Service.....	3,600	3,600	-----
Continental Army Command supplies.....	923,800	1,286,300	362,500
Other continental U.S. supplies.....	302,300	320,500	18,200
European area supplies.....	410,200	403,000	-7,200
Pacific area supplies.....	725,800	1,547,300	821,500
Alaska area supplies.....	33,800	29,800	-4,000
Southern area supplies.....	27,500	19,900	-7,600
<b>Total program (obligations).....</b>	<b>3,509,500</b>	<b>4,856,500</b>	<b>1,347,000</b>
<b>Financing:</b>			
Receipts and reimbursements from:			
Sale of goods:			
Ground equipment parts and supplies.....	58,200	71,800	13,600
Aeronautical supplies.....	326,600	235,600	-91,000
Missile parts.....	70,200	65,500	-4,700
Tank and automotive supplies.....	216,500	294,800	78,300
Weapons and fire control supplies.....	124,500	165,200	30,700
Special weapons and chemical supplies.....	10,400	7,300	-3,100
Electronic supplies.....	132,700	148,200	15,500
Retail, MAP, Reserve.....	109,800	73,500	-36,300
Petroleum and allied products.....	155,900	150,800	-5,100
Defense Supply Service.....	3,600	4,000	400
Continental Army Command supplies.....	936,100	1,183,100	247,000
Other continental U.S. supplies.....	328,400	328,400	-----
European area supplies.....	406,900	425,700	18,800
Pacific area supplies.....	745,600	1,705,100	959,500
Alaska area supplies.....	34,500	31,700	-2,800
Southern area supplies.....	27,500	20,500	-7,000
Other.....	1,000	1,000	-----
<b>Total, sale of goods.....</b>	<b>3,688,400</b>	<b>4,902,200</b>	<b>1,213,800</b>
Military assistance.....	(-92,000)	(-142,010)	(-50,010)
Other.....	(-3,065,695)	(-4,183,649)	(-1,117,954)
Trust funds.....	(-83,088)	(-72,000)	(11,088)
Non-Federal.....	(-447,617)	(-504,541)	-56,924
<b>Increase (-) or decrease in unfilled customer orders:</b>			
Military assistance.....	23,900	40,808	16,908
Other reimbursable.....	155,992	118,870	-37,122
Unobligated balance, start of year (-).....	-2,318	-----	+2,318
Unobligated balance transferred to MPA.....	-----	-----	-----
Unobligated balance available, end of year.....	1,326	-----	-1,326
<b>New obligational authority.....</b>			
Relation of obligations to expenditures:		113,978	113,978
Total obligations.....	3,509,500	4,856,500	1,347,000
Receipts and offsets.....	-3,508,508	-4,742,522	-1,234,014
<b>Obligations affecting expenditures.....</b>			
Obligations affecting expenditures.....	992	113,978	112,986
Contract authorization (unfunded).....	-----	237,022	237,022
Fund balance.....	171,871	83	-171,788
Contract authorization (unfunded).....	-----	-351,000	-351,000
Receivables in excess of obligation, end of year.....	-268,163	195,017	+463,180
<b>Expenditures.....</b>	<b>-95,300</b>	<b>195,100</b>	<b>290,400</b>

An additional \$351 million new obligational authority is required to support Army stock fund operations in fiscal year 1967. This is a result of increased requirements to support demands from southeast Asia, a buildup of additional levels of on-hand and on-order inventories to support these demands and the related buildup in the continental United States.

SUMMARY

The direct budget plan of the Army's fiscal year 1967 supplemental request comes to \$5,107.2 million and is summarized by appropriation in an appendix to this statement.

As I mentioned earlier in connection with the Army stock fund, \$351 million in new obligational authority is required to provide adequate working capital in that fund. A detailed summary of NOA by appropriation is also appended to this statement.

In summary, this request for supplemental funds will provide effective support for continued operations in southeast Asia through fiscal year 1967 at the currently planned levels of operation.

Summary—Direct budget plan (TOA)

[In thousands of dollars]

	Presently available <sup>1</sup>	Revised estimate <sup>1</sup>	Increase
Military personnel, Army.....	6,168,564	6,819,064	650,500
Reserve personnel, Army.....	288,211	303,111	14,900
National Guard personnel, Army.....	346,533	361,813	15,280
Operation and maintenance, Army.....	5,155,432	7,123,432	1,968,000
Operation and maintenance, ARNG.....	231,000	231,000	-----
National Board for Promotion of Rifle Practice.....	494	494	-----
Procurement of equipment and missiles, Army.....	3,733,300	5,863,300	2,130,000
Research, development, test, and evaluation, Army.....	1,553,238	1,593,238	40,000
Military construction, Army.....	141,845	430,345	288,500
Military construction, Army Reserve.....	3,000	3,000	-----
Military construction, Army National Guard.....	5,000	5,000	-----
Total.....	17,626,617	22,733,797	5,107,180

<sup>1</sup> Excludes supplemental funds required for civilian and military pay raises.

New obligational authority

[In thousands of dollars]

	Presently available <sup>1</sup>	Revised estimate <sup>1</sup>	Increase
Military personnel, Army.....	6,168,564	6,819,064	650,500
Reserve personnel, Army.....	288,211	303,111	14,900
National Guard personnel, Army.....	346,533	361,813	15,280
Operation and maintenance, Army.....	5,155,432	7,123,432	1,968,000
Operation and maintenance, ARNG.....	231,000	231,000	-----
National Board for Promotion of Rifle Practice.....	494	494	-----
Procurement of equipment and missiles, Army.....	3,483,300	5,613,300	2,130,000
Research, development, test, and evaluation.....	1,556,698	1,596,698	40,000
Military construction, Army.....	114,014	402,514	288,500
Total general accounts.....	17,344,246	22,451,426	5,107,180
Army stock fund.....	-----	351,000	351,000
Total.....	17,344,246	22,802,426	5,458,180

<sup>1</sup> Excludes supplemental funds required for civilian and military pay raises.

## DEPARTMENT OF THE NAVY

STATEMENT OF REAR ADM. E. E. GRIMM, DIRECTOR OF BUDGET AND REPORTS

## BUDGET REQUEST

Mr. Chairman and members of the committee, I am pleased for this opportunity to discuss the fiscal implications of the Department of the Navy's fiscal year 1967 southeast Asia supplemental budget request.

As you are well aware, the war in Vietnam has required and is continuing to require more resources in men and material than were originally contemplated when we presented the fiscal year 1967 budget to you last spring. We now find it necessary to request an additional \$3,548.9 million in new obligational authority for the balance of fiscal year 1967. This amount includes the restoration of funds in the amount of \$335 million which, with your concurrence, we utilized by reprogramming actions to fund our time-critical southeast Asia requirements.

A tabulation reflecting the total budget plan for fiscal year 1967, resources available or requested to fund the plan, together with specific identification of the additional southeast Asia authorization requested for the balance of the current fiscal year, is provided in exhibit 1.

For the convenience of the committee, I would now like to present highlights under each appropriation in support of our funding requirements.

## MILITARY PERSONNEL

## MILITARY PERSONNEL, NAVY

*Program and financing*

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 proposed supplemental
<b>Program by activities: Direct program:</b>			
1. Pay and allowances of officers .....	855,603	871,830	16,227
2. Pay and allowances of enlisted .....	2,313,245	2,457,497	144,252
3. Pay and allowances of cadets .....	10,748	10,748	-----
4. Subsistence of enlisted personnel .....	263,972	296,182	32,210
5. Permanent change of station travel .....	198,837	213,608	14,771
6. Other military personnel costs .....	5,531	18,871	13,340
<b>Total direct program .....</b>	<b>3,647,936</b>	<b>3,868,736</b>	<b>220,800</b>
<b>Financing:</b>			
Planned transfer to "Military personnel, Army" (10 U.S.C. 26 (a)) .....	+4,164	+4,164	-----
Fiscal year 1967 basic appropriation .....	-3,652,100	-3,652,100	-----
<b>New obligational authority (proposed supplemental appropriation) .....</b>		<b>220,800</b>	<b>220,800</b>

An additional \$220.8 million is requested to support the required new end-year strength of 753,394 officers and enlisted personnel. The

increase of 25,521 in fiscal year 1967 end strength will be utilized to man new activities and forces, such as: the second hospital ship; [deleted] additional mobile construction battalions; in-country Vietnam bases, staffs, coastal and river patrol activities; and to augment Pacific afloat forces (CVA's and DD's); aviation and medical support units.

Funds will be utilized for the following purposes:

	<i>Millions</i>
1. Pay and allowances-----	\$105.6
2. Hostile fire pay-----	26.0
3. Subsistence of enlisted personnel-----	32.2
4. Permanent change of station travel-----	14.8
5. Clothing-----	14.1
6. Family separation allowance-----	8.1
7. Sea duty and duty at certain overseas locations-----	6.6
8. Other-----	13.3
Total-----	220.8

MILITARY PERSONNEL, MARINE CORPS

*Program and financing*

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 proposed supplemental appropriation
<b>Program by activities: Direct program:</b>			
1. Pay and allowances of officers-----	234,100	234,702	602
2. Pay and allowances of enlisted personnel-----	761,828	780,726	18,898
3. Pay and allowances of cadets-----	1,600	1,662	62
4. Subsistence of enlisted personnel-----	104,272	125,260	20,988
5. Permanent change of station travel-----	79,400	90,776	11,376
6. Other military personnel costs-----	2,000	8,474	6,474
Total direct program-----	1,183,200	1,241,600	58,400
Financing: Fiscal year 1967 basic appropriation-----	1,183,200	1,183,200	-----
New obligational authority (proposed supplemental appropriation)-----	-----	58,400	58,400

Additional funds in the amount of \$58.4 million are requested to support the required new end-year strength of 280,624 officers and enlisted personnel. The increase of 2,440 in fiscal year 1967 end strength is required to support the Marine Corps commitment in southeast Asia.

Funds will be utilized for the following purposes:

	<i>Millions</i>
1. Pay and allowances-----	\$2.8
2. Hostile fire pay-----	11.3
3. Permanent change of station travel-----	11.4
4. Subsistence of enlisted personnel-----	21.0
5. Clothing-----	4.0
6. Duty at certain overseas locations-----	1.4
7. Other-----	6.5
Total-----	58.4

## OPERATION AND MAINTENANCE

## OPERATION AND MAINTENANCE, NAVY

Fiscal year 1967 southeast Asia support supplemental appropriation  
program and financing

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 proposed supplemental
Direct program by activities:			
1. General expenses, Navy personnel.....	95,741	99,745	4,004
2. Weapons and facilities.....	1,089,314	1,254,520	165,206
3. Ships and facilities.....	1,459,512	1,776,880	317,368
4. Medical care.....	130,873	130,873	-----
5. Civil engineering.....	439,856	458,973	19,117
6. Servicewide supply.....	344,307	402,471	58,164
7. Servicewide operations.....	390,291	450,432	60,141
8. Naval petroleum reserves.....	5,600	5,600	-----
Total direct program.....	3,955,494	4,579,494	624,000
Financing: New obligational authority.....	3,955,494	4,579,494	624,000
New obligational authority:			
Appropriation.....	3,980,300	3,980,300	-----
Transfer (net).....	-24,806	-24,806	-----
Proposed supplemental for southeast Asia support.....		624,000	624,000

Supplemental funds totaling \$624 million are requested for the balance of fiscal year 1967 to finance the increased tempo of ship and aircraft operations and the increased logistic support for deployed Navy and Marine forces in southeast Asia.

I will explain these requirements by major activity:

1. *General expenses, Navy personnel.*—An additional \$4 million is requested in this activity: \$1.1 million is for the establishment and operation of a Naval Inshore Operations Training School required to train personnel in riverine warfare; \$0.9 million is for recruit training and for functional training in the fields of counterinsurgency, fire control, damage control, and underwater swimming: The balance will be utilized for the recruiting effort and related personnel support programs required to meet southeast Asia manpower requirements.

2. *Weapons and facilities.*—An additional \$165.2 million is requested for this activity: \$96.4 million will be utilized for accelerated aircraft, engine and component reworks due to structural fatigue and unusual environmental exposure; \$19.8 million is required for the higher cost of flying hours in support of attack and reconnaissance operations; \$12 million is for ammunition handling, ordnance rework, and support; \$37 million is required for transportation of ordnance and aviation material, station operations, and supporting programs.

3. *Ships and facilities.*—An additional \$317.4 million is requested for this activity: \$3.5 million is for operation and maintenance of electronic systems; \$10.3 million is required for fleet support facilities; and \$5.4 million will be utilized for fuel.

Funds in the amount of \$137.7 million will be utilized for the maintenance and operation of the active fleet; \$65.4 million covers additional maintenance required during regular overhaul; and \$60.5 million is for nonscheduled repairs. The remaining \$11.8 million is for supplies and equipage to support our force levels plus increased consumption of repair parts, lube oil, fuel hoses, and electronic tube replacements.

Funds in the amount of \$115.7 million are required for technical support programs. [Deleted.]

Ship alteration and improvement funds of \$44.8 million are required to: Improve aircraft rearming and refueling rates on carriers, and to improve underway replenishment of combatant ships; to improve communications and information systems aboard ship; to improve our defenses, including electronics countermeasures and safety facilities, such as, helo platforms for sea-air-rescue operations.

4. *Civil engineering.*—Funds in the amount of \$19.1 million are requested for this activity: \$7 million is for maintenance and repairs of airfield pavements, habitability repairs of personnel facilities, and repairs to waterfront structures critical to fleet support; \$3.5 million is requested to cover increased utilities operations and transportation at shore facilities; \$7.2 million is requested to provide for costs of [deleted] new mobile construction battalions and [deleted] heavy equipment companies; \$1.4 million is for logistics support of the Naval Construction Battalion Centers at Port Hueneme, Davisville, and Gulfport.

5. *Servicewide supply.*—Approximately \$56.7 million of the \$58.2 million requested for this activity is required to fund transportation costs of moving material for southeast Asia operations. Included in the amount for transportation is \$29.4 million to provide common support for intratheater cargo movements by coastal vessels. The Navy assumed this common support responsibility for all services as of fiscal year 1967. Appropriate adjustments have been made in the budget of the other services.

6. *Servicewide operations.*—An additional \$60.1 million is requested for this activity: \$48.5 million of this increase is for logistic support of United States and Free World Military Assistance Forces in Vietnam. This includes expanding services at Danang and the essential support of Market Time and Game Warden Bases. The balance of \$11.6 million is primarily for increased communication traffic and maintenance of training equipment.

OPERATION AND MAINTENANCE, MARINE CORPS

Program and financing

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 supplemental appropriation
Program by activities:			
Direct program:			
1. Training and operations.....	205,621	271,969	66,348
2. Depot supply system.....	66,457	78,190	11,733
3. Transportation of things.....	33,728	52,300	18,572
4. Marine Corps Reserve training.....	5,351	5,351	-----
5. Cataloging.....	2,284	2,284	-----
6. Departmental administration.....	12,111	12,158	47
Total direct program.....	325,552	422,252	96,700
Financing: Fiscal year 1967 basic appropriation.....	-325,552	-325,552	-----
New obligational authority.....	-----	96,700	96,700

The Marine Corps supplemental request of \$96.7 million for southeast Asia includes: \$66.4 million for training and operations to support the increased material consumption by combat forces and to complete activation of the 5th Marine Division and reinforcing units; \$11.7 million will be utilized to effect repairs/overhaul of major items of equipment for the 5th Marine Division and Fleet Marine Force units. Shipments of material to support combat operations in Vietnam will result in an \$18.6 million increase in transportation costs.

## PROCUREMENT

*Program and financing*

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 proposed supplemental
<b>Direct program by activities:</b>			
1. Combat aircraft.....	870,700	1,937,100	1,066,400
3. Trainer aircraft.....	62,000	132,800	70,800
4. Other aircraft.....	38,300	38,300	-----
5. Modification of aircraft.....	258,400	500,100	241,700
6. Aircraft spares and repair parts.....	467,700	778,700	311,000
7. Aircraft support equipment and facilities.....	62,400	75,800	13,400
8. Ballistic missiles.....	39,200	39,200	-----
9. Other missiles.....	188,000	231,900	43,900
10. Modification of missiles.....	11,400	11,400	-----
11. Missile spares and repair parts.....	12,100	14,700	2,600
12. Other support equipment and facilities.....	23,900	26,100	2,200
Total direct program.....	2,034,100	3,786,100	1,752,000
<b>Financing:</b>			
Unobligated balance available from prior years.....	-53,000	-53,000	-----
Reimbursable sales not requiring replacement in kind.....	-15,000	-15,000	-----
Reprogramming from prior year budget plans.....	-234,200	-234,200	-----
Fiscal year 1967 basic appropriation.....	-1,789,900	-1,789,900	-----
Transfer to "Emergency fund, Defense".....	58,000	58,000	-----
New obligational authority (proposed supplemental appropriation).....	-----	1,752,000	1,752,000

An increase of \$1,752 million in fiscal year 1967 funding is requested to finance the procurement of combat and trainer aircraft, helicopters, aircraft modifications, aircraft spares, repair parts, support equipment, missiles, and related spares.

Approximately 18 percent, or \$335 million of this supplemental request, is for restoration of funds previously authorized by Congress in fiscal year 1967 that were utilized, with your consent early in fiscal year 1967, to accelerate production of [deleted] F-4J fighter Phantom IIs, [deleted] A-4F attack Skyhawks, [deleted] A-6A attack Intruders, 18 T-2B Buckeye trainers, 9 TC-4C Gulfstream trainers, and 18 UH-1E Iroquois helicopters.

The remainder of this request is for the additional items required to meet our southeast Asia commitments. Over 40 percent or \$702.7 million of this request, is to fund [deleted] combat aircraft comprising [deleted] A-6A Intruders (\$145.5 million), [deleted] F-4J Phantom II fighters (\$503.4 million) and [deleted] CH-46D Sea Knight helicopters (\$53.8 million). Funds in the amount of \$70.8

million are requested for 18 T-2B twin-jet two-seater aircraft for basic training (\$13.5 million), and 50 TA-4F Skyhawk trainers for advanced jet, instrument and combat readiness training (\$57.3 million). These aircraft are essential to improve our pilot training output.

Of the \$241.7 million requested for aircraft modification, \$69.9 million will be utilized primarily for the incorporation of electronic countermeasure modifications in certain combat aircraft to improve their defensive and offensive capabilities [deleted] \$23.6 million is requested for modification of [deleted] A-5 aircraft into the RA-5C heavy attack/reconnaissance configuration [deleted] \$44.6 million is requested for modifications to extend the service life of [deleted] F-8 aircraft and improve their combat capability.

The considerable higher rates of utilization of many types of aircraft will also increase the consumption of spares. Of the \$311 million required for additional aircraft spares and repair parts, \$183 million is associated with new aircraft procurements, and \$128 million will be utilized for replenishment spares and repair parts to support the current flying hour program.

Also included in this request is \$22.1 million for [deleted] antiradiation missiles [deleted].

OTHER PROCUREMENT, NAVY

*Fiscal year 1967 southeast Asia support supplemental appropriation, program and financing*

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 proposed supplemental
<b>Direct program by activities:</b>			
1. Ships support equipment .....	264,600	313,000	48,400
2. Communications and electronics equipment .....	357,895	385,695	27,800
3. Weapons and support equipment .....	1,294,251	1,437,851	143,600
4. Civil engineering support equipment .....	121,654	187,354	65,700
5. Supply support equipment .....	22,400	23,900	1,500
6. Personnel and command support equipment .....	22,500	22,500	-----
<b>Total direct program .....</b>	<b>2,083,300</b>	<b>2,370,300</b>	<b>287,000</b>
<b>Financing:</b>			
Reimbursable sales not requiring replacement in kind .....	-15,000	-15,000	-----
Recoupments .....	-100,000	-100,000	-----
<b>New obligational authority .....</b>	<b>1,968,300</b>	<b>2,255,300</b>	<b>287,000</b>
<b>New obligational authority:</b>			
Appropriation .....	1,968,300	1,968,300	-----
Proposed supplemental for southeast Asia support .....	-----	287,000	287,000

Additional funds totaling \$287 million are requested for procurement of end items and consumables related to both Navy, including construction battalions, and Marine Corps operations. Approximately one-half of these funds will be utilized to procure ordnance and related support equipment. The remaining half consists of \$76 million for boats, shipboard components, and communications and electronic equipment, including secondary spare and repair parts, and

\$67 million for transportation, construction, materials handling, and specialized equipment.

I will explain these requirements by major activity:

1. *Ships support equipment.*—An additional \$48.4 million is requested for this activity. Procurement of shipboard components to support ship activations and maintenance account for \$45 million of this request; \$21 million is for secondary support items of electrical and mechanical spare and repair parts, including personnel safety items. Small boat procurement to support operations in the many shallow water areas will amount to \$13 million. Support items, such as spare diesel engines and carrier catapult track covers, will total \$10 million.

In addition, \$4 million is requested to provide for advance base functional components and for machine tools and plant equipment for ship repair facilities supporting southeast Asia operations.

2. *Communications and electronics equipment.*—The request for \$28 million for shipboard electronics consists of \$24 million to fund the more sophisticated electronic countermeasures [deleted] and communications equipment to support increased message traffic due to tempo of operations. The remaining \$4 million is requested for spare and repair parts related to both filling allowance deficiencies on Western Pacific ships and providing sufficient stockage levels at distribution points supporting southeast Asia operations.

3. *Weapons and support equipment.*—Of the \$144 million requested, \$67 million will be utilized for air-launched ordnance and related support equipment [deleted]; \$19 million will be utilized for aircraft support equipment, such as aircraft spotting dollies; equipment for aircraft overhaul and repair activities; and handling, shop, and test equipment; \$10 million is required for other support equipment such as aviator survival equipment; \$36 million is requested for 5-inch gun ammunition and components. The remainder of the request, \$13 million, is required for the procurement of a number of miscellaneous ordnance items.

4. *Civil engineering support equipment.*—This request of \$66 million includes about \$26 million required to procure trucks, trailers, specialized automotive equipment, construction and weight-handling equipment, amphibious and specialized equipment, primarily to outfit newly formed mobile construction battalions and construction battalion maintenance units; \$33 million is requested for procurement of equipment and material, such as prefabricated structures, airfield matting, bulk fuel systems, prefabricated piers, and mobile generators required to support Navy and Marine Corps operations. To replenish prepositioned war reserve stocks, \$7 million is required.

5. *Supply support equipment.*—Funds totaling \$1.5 million are required to purchase 86 units of materials-handling equipment for the newly formed mobile construction battalions and construction battalion maintenance units.

PROCUREMENT, MARINE CORPS

*Program and financing*

[In thousands of dollars]

	Budget plan (amounts for procurement action programed)		
	1967 presently available	1967 revised estimate	1967 proposed supplemental
<b>Program by activities:</b>			
Direct:			
1. Ammunition and ordnance equipment.....	117,100	231,300	114,200
2. Combat tracked vehicles.....	14,200	18,400	4,200
3. Guided missiles and equipment.....	29,000	31,100	2,100
4. Communications and electronics equipment.....	77,600	106,600	29,000
5. Support vehicles.....	26,200	96,500	70,300
6. Engineer and other equipment.....	23,800	57,000	33,200
Total direct program.....	287,900	540,900	253,000
Financing:			
Recumpments.....	-25,000	-25,000	-----
Fiscal year basic appropriation.....	-262,900	-262,900	-----
New obligational authority.....	-----	253,000	253,000

Additional funds in the amount of \$253 million are required for Marine Corps commitments in southeast Asia. Of this amount, \$114.2 million is for procurement of ammunition through fiscal year 1968 reorder leadtime. Requirements are based upon southeast Asia consumption experience. Combat tracked vehicle requirements for self-propelled howitzers, tank searchlights, spares and repair part support will amount to \$4.2 million.

Guided missile funds in the amount of \$2.1 million will be utilized for engineering costs and spares to support the Hawk missile program.

Funds in the amount of \$29 million are required for communications and electronics equipments, such as, radios, radars, intelligence equipment and other miscellaneous electronics items.

Funds totaling \$70.3 million are requested for support vehicles to provide replacement of truck losses (1/4 ton, 1 1/4 ton, 2 1/2 ton, 5 ton) and other equipment losses in southeast Asia due to continuous use, terrain, and climatic conditions.

Due to the extremely heavy consumption resulting from continuous use in humid environments \$33.2 million is requested for engineer and other equipment to provide for field fortification material, replacement of cranes, forklift, tractors, tropical combat boots and other engineer and support items that are required in southeast Asia.

## 210 SUPPLEMENTAL DEFENSE AUTHORIZATIONS AND APPROPRIATIONS

## RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

*Program and financing*

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 proposed supplemental
Direct program by activities:			
1. Military sciences.....	188,899	188,899	-----
2. Aircraft and related equipment.....	322,503	334,503	12,000
3. Missiles and related equipment.....	700,135	715,135	15,000
4. Military astronautics and related equipment.....	18,383	18,383	-----
5. Ships, small craft, and related equipment.....	281,578	284,578	3,000
6. Ordnance, combat vehicles, and related equipment.....	158,086	158,086	-----
7. Other equipment.....	100,112	110,112	10,000
8. Programwide management and support.....	97,806	97,806	-----
Total direct program.....	1,867,502	1,907,502	40,000
Financing:			
Reprogramming from prior year budget plans.....	-7,990	-7,990	-----
Unobligated balance available to finance subsequent year budget plans.....	+14,524	+14,524	-----
Fiscal year 1967 basic appropriation.....	-1,758,600	-1,758,600	-----
Net transfers of fiscal year 1967 basic appropriation.....	-115,436	-115,436	-----
New obligational authority (proposed supplemental appropriation).....	-----	40,000	40,000

Additional funds in the amount of \$40 million are requested for research, development, test, and evaluation. These funds are required to improve the performance of certain weapon systems and logistic support functions in the following areas: (1) Aircraft and related equipment, \$12 million; (2) Missiles and related equipment, \$15 million; (3) Ships, small craft, and related equipment, \$3 million; and (4) Other equipment, \$10 million.

## MILITARY CONSTRUCTION, NAVY

The Navy is requesting an additional \$140 million for military construction. Of this amount \$76 million is required to finance construction of additional facilities to support military operations in Vietnam. Of the remaining \$74 million, \$16 million is required for other overseas construction to be undertaken in the Republic of the Philippines, [deleted] Guam, [deleted] and Hawaii to provide support for the 7th Fleet and for Marine forces. Forty-four million dollars will be utilized in continental United States for additional training and ammunition outloading facilities and \$4 million is required for associated planning.

NAVY STOCK FUND

[In thousands of dollars]

	Fiscal year 1967 presently available	Fiscal year revised estimate	Fiscal year 1967 pro- posed sup- plemental
<b>Program:</b>			
Obligations by material category:			
Clothing and textiles.....	66,550	68,984	2,434
Fleet material support office, retail commodities.....	193,091	277,319	84,228
Ships, submarine, and base repair parts.....	76,238	124,849	48,611
Forms and printed matter.....	7,000	12,957	5,957
Retail provisions.....	406,916	296,704	-110,212
Electronic repair parts.....	35,070	90,226	55,156
Ships store and commissary store stock.....	300,858	316,339	15,481
Fuels and related items.....	403,893	421,897	18,004
Ordnance repair parts.....	6,384	7,725	1,341
Payment of profits from sale of ships stores paid to "Ships stores profit, Navy" (trust fund).....	5,900	7,000	1,100
Other.....	500	500	-----
Total program (obligations).....	1,502,400	1,624,500	122,100
<b>Financing:</b>			
Receipts and reimbursements (sale of goods):			
Clothing and textiles.....	-63,084	-62,373	711
Fleet material support office, retail commodities.....	-205,403	-265,739	-60,336
Ships, submarine, and base repair parts.....	-99,470	-110,367	-10,897
Forms and printed matter.....	-8,478	-11,764	-3,286
Retail provisions.....	-362,467	-268,366	94,101
Electronic repair parts.....	-44,601	-61,714	-17,113
Ships store and commissary store stock.....	-318,493	-327,422	-8,929
Fuels and related items.....	-371,437	-393,237	-21,800
Ordnance repair parts.....	-7,367	-9,818	-2,451
Other.....	-500	-500	-----
Total, sale of goods.....	-1,481,300	-1,511,300	-30,000
Administrative budget accounts:			
Military assistance.....	(-16,270)	(-13,134)	3,136
Other.....	(-1,084,122)	(-1,107,123)	-23,001
Trust fund accounts.....	-----	(-2,248)	-2,248
Non-Federal sources (10 U.S.C. 2208(h)).....	(-380,908)	(-388,969)	-8,061
Increase (-) or decrease in unfilled customer orders:			
Cancellation of prior year military assistance orders.....	-----	174	174
Military assistance orders.....	-14,702	-1,463	13,239
Other reimbursable orders.....	-6,398	83	6,481
Unobligated balances transferred from "Air Force stock fund" (80 Stat. 998 and annual appropriation act).....	-----	-43,200	-43,200
Unobligated balance lapsing (contract authorization).....	-----	8,380	8,380
New obligatory authority: Appropriation.....	-----	77,000	77,000
Relation of obligations to expenditures:			
Total obligations.....	1,502,400	1,624,500	122,100
Receipts and other offsets (items 11-17).....	-1,502,400	-1,512,680	-10,280
Obligations affecting expenditures.....	-----	111,820	111,820
Obligated balance, start of year:			
Contract authorization (unfunded).....	79,004	196,567	117,563
Fund balance.....	54,856	14,690	-40,166
Receivables in excess of obligations, start of year.....	-----	-----	-----
Obligated balance, end of year:			
Contract authorization (unfunded).....	-79,004	-188,188	-109,184
Fund balance.....	-86,756	-46,890	39,866
Receivables in excess of obligations, end of year.....	-----	-----	-----
Expenditures.....	-31,900	88,000	119,900

An appropriation of \$77 million is being requested for the Navy Stock Fund in order to fund the buildup of inventory necessary to meet the impact of operations in the western Pacific. As you know, the tempo of operations in this area necessitates greater supply in both depot and pipelines. Under these conditions, additional funds are requested to insure adequate inventories to support essential operations.

212 SUPPLEMENTAL DEFENSE AUTHORIZATIONS AND APPROPRIATIONS

OBLIGATIONS AND EXPENDITURES

Exhibit 2 sets forth the obligation and expenditure plan related to this supplemental request. Approximately 84 percent of the funds will be obligated in the current year and the balance, most of which is in the procurement accounts, will be obligated during the initial part of fiscal year 1968. Expenditures will amount to about 32 percent as of the end of fiscal year 1967, and 41 percent in fiscal year 1968. The balance of the spendout, representing mostly procurement expenditures, will occur in fiscal year 1969.

CONCLUSION

Mr. Chairman, I have attempted in this statement to outline the purposes for which these funds are required. This concludes the review and summary of our financial needs to support southeast Asia operations for the balance of fiscal year 1967.

*Direct budget plan and financing, fiscal year 1967*

[In millions of dollars]

Appropriation title  (1)	Total obligational authority  (2)	Total resources				SEA supplemental request  (7)
		Other than SEA			Total  (6)	
		Current NOA  (3)	Other supplemental request <sup>1</sup>  (4)	Other financing <sup>2</sup>  (5)		
<b>MILITARY PERSONNEL</b>						
Military personnel, Navy.....	3,946.4	3,647.9	77.7		3,725.6	220.8
Military personnel, Marine Corps.....	1,265.9	1,183.2	24.3		1,207.5	58.4
Reserve personnel, Navy.....	113.4	112.6	.8		113.4	
Reserve personnel, Marine Corps.....	37.3	36.5	.8		37.3	
Total military personnel.....	5,363.0	4,980.2	103.6		5,083.8	279.2
<b>OPERATION AND MAINTENANCE</b>						
Operation and maintenance, Navy.....	4,646.5	3,955.5	67.0		4,022.5	624.0
Operation and maintenance, Marine Corps.....	424.5	325.6	2.3		327.9	96.7
Total, operation and maintenance.....	5,071.0	4,281.0	69.3		4,350.3	720.7
<b>PROCUREMENT</b>						
Procurement of aircraft and missiles, Navy.....	3,786.1	1,731.9		302.2	2,034.1	1,752.0
Shipbuilding and conversion, Navy.....	2,041.0	1,756.7		284.3	2,041.0	
Other procurement, Navy.....	2,370.3	1,968.3		115.0	2,083.3	287.0
Procurement, Marine Corps.....	540.9	262.9		25.0	297.9	253.0
Total, procurement.....	8,738.3	5,719.8		726.5	6,446.3	2,292.0
Research, development, test, and evaluation, Navy.....	1,907.5	1,874.0		-6.5	1,867.5	40.0
<b>MILITARY CONSTRUCTION</b>						
Military construction, Navy.....	279.5	126.9		12.6	139.5	140.0
Military construction, Naval Reserve.....	5.4	5.4			5.4	
Total, military construction.....	284.9	132.3		12.6	144.9	140.0
Total, general accounts.....	21,364.7	16,987.4	172.9	732.5	17,892.8	3,471.9
Navy stock fund.....						77.0
Grand total, new obligational authority, SEA.....						3,548.9

<sup>1</sup> Includes \$147,900,000 for military and civilian pay increases and \$25,000,000 for military medical benefits.  
<sup>2</sup> Includes \$213,200,000 of unprogramed funds, \$30,000,000 free assets, and \$489,300,000 recoupments.

Fiscal year 1967 SEA supplemental

[In thousands of dollars]

Appropriation title (1)	Fiscal year 1967			Fiscal year 1968		To be expended after fiscal year 1968 (7)
	TOA/NOA (2)	Obligations (3)	Net expenditures (4)	Obligations (5)	Net expenditures (6)	
<b>MILITARY PERSONNEL</b>						
Military personnel, Navy.....	220,800	220,800	216,000		4,800	
Military personnel, Marine Corps.....	58,400	58,400	56,000		2,400	
Reserve personnel, Navy.....						
Reserve personnel, Marine Corps.....						
Total Military Personnel.....	279,200	279,200	272,000		7,200	
<b>OPERATION AND MAINTENANCE</b>						
Operation and maintenance, Navy.....	624,000	624,000	540,000		70,000	14,000
Operation and maintenance, Marine Corps.....	96,700	96,700	74,000		20,000	2,700
Total operation and maintenance.....	720,700	720,700	614,000		90,000	16,700
<b>PROCUREMENT</b>						
Procurement of aircraft and missiles, Navy.....	1,752,000	1,350,800	175,000	392,200	900,000	677,000
Shipbuilding and conversion, Navy.....						
Other procurement, Navy.....	287,000	247,000	46,000	40,000	110,000	131,000
Procurement, Marine Corps.....	253,000	153,000	10,000	100,000	145,000	95,000
Total procurement.....	2,292,000	1,750,800	231,000	532,200	1,155,000	906,000
Research, development, test, and evaluation, Navy.....	40,000	40,000	6,000		24,000	10,000
<b>MILITARY CONSTRUCTION</b>						
Military construction, Navy.....	140,000	103,700	30,000	36,300	90,000	20,000
Military construction, Naval Reserve.....						
Total military construction.....	140,000	103,700	30,000	36,300	90,000	20,000
Total general accounts.....	3,471,900	2,903,400	1,153,000	568,500	1,366,200	952,700
Navy Stock Fund.....	77,000	77,000			77,000	
Grand total, general accounts and stock fund.....	3,548,900	2,980,400	1,153,000	568,500	1,443,200	952,700

DEPARTMENT OF THE AIR FORCE

STATEMENT OF MAJ. GEN. DUWARD L. CROW, DIRECTOR OF BUDGET

BUDGET REQUEST

Mr. Chairman and members of the committee, Secretary McNamara has provided your committee a summary of the total Department of Defense request for appropriation of the proposed fiscal year 1967 supplemental budget. I will cover the Air Force portion of this request in somewhat more detail.

The proposed fiscal year 1967 supplemental for the Air Force for southeast Asia contains the additional funds required for the balance of fiscal year 1967 for personnel, O. & M. procurement, R. & D., and

214 SUPPLEMENTAL DEFENSE AUTHORIZATIONS AND APPROPRIATIONS

construction requirements in a total amount of \$3 billion. Appropriations are requested as follows:

<i>Appropriation</i>	<i>In millions of dollars</i>
Military personnel, Air Force.....	403.7
Military personnel, Air National Guard.....	0.3
Operation and maintenance, Air Force.....	528.0
Aircraft procurement, Air Force.....	1,303.0
Missile procurement, Air Force.....	45.0
Other procurement, Air Force.....	536.0
R.D.T. & E., Air Force.....	33.0
Military construction, Air Force.....	196.0
<b>Total</b> .....	<b>3,045.0</b>

Before addressing items in detail I will outline briefly the background requirement for them.

Air Force witnesses explained in various appearances last year that the original fiscal year 1967 budget was based on a planning assumption that the war would be over by June 30, 1967, and that if, in fact, the war continued, additional fiscal year 1967 funds would be needed. We considered this a reasonable approach. It provided a common frame of reference for requirements computations and precluded the possibility of buying large excesses of stock as we did at the time of Korea. Our total force and deployment requirements were not clear and we could not compute requirements for a longer period with acceptable accuracy. Now that the size of our forces involved is clear, we know better what our requirements are.

In general, our fiscal year 1967 supplemental requirements represent an orderly extension of the plans and programs which we discussed with you last year. I will highlight the most significant items.

TACTICAL FORCES

Last year we stated that we planned to provide a capability to deploy sufficient jet tactical fighter squadrons to southeast Asia to satisfy the required number of attack sorties monthly. We are operating at that rate. We have, however, deployed an additional jet tactical squadron to give us some added capability.

AIRLIFT

Last year we reported that our air commando C-123 squadrons in South Vietnam and C-130's, located at various PACAF bases, would provide theater airlift support. We also stated that we planned to increase airlift utilization rates significantly to provide an increased capability.

The air commando squadrons remain unchanged and are doing an excellent job. The C-130 squadrons are in the Pacific with detachments operating at forward bases.

We have been able to increase the utilization rates on our principal airlift aircraft. Our 130-E's are now programed at a 5-hour daily utilization rate compared to a previous rate of 2.5 hours. The C-141's are reaching a daily rate of 5 hours, 6 months after delivery to the Air

Force and 8 hours after 12 months. This "fast fly" program has given us a 60-percent increase in capability.

B-52's

Last year, we reported the average number of B-52 sorties per month we were flying from Guam. In December 1966, the B-52 flew more than double this number of sorties per month. We now have the capability to more than double the B-52 rate reported last year. The B-52 operations are generally considered to be extremely effective and do a great deal to keep the enemy off balance and in striking targets that require a heavy concentration of firepower.

PERSONNEL

At this time last year we had some 31,000 Air Force personnel in southeast Asia. We now have about 75,000 people in southeast Asia with the total projected to go slightly higher.

BASES

The fiscal year 1966 supplemental budget provided partial funding for three new bases in southeast Asia as well as for major improvements at a number of other locations. I am pleased to report that the new base construction is meeting or exceeding the schedule.

The current program now envisions a total of 13 principal jet capable bases in southeast Asia. There are in addition a number of other bases from which we operate various support aircraft.

I will now address the details of the appropriation request.

MILITARY PERSONNEL

*Program and financing*

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 proposed supplemental
Direct program by activities:			
1. Pay and allowances of officers .....	1,487,300	1,527,161	39,861
2. Pay and allowances of enlisted personnel .....	2,869,443	3,089,881	220,438
3. Pay and allowances of cadets .....	7,257	7,257	-----
4. Subsistence of enlisted personnel .....	276,700	329,863	53,163
5. Permanent change of station travel .....	369,900	442,228	72,328
6. Other military personnel costs .....	5,200	23,110	17,910
Total direct program .....	5,015,800	5,419,500	403,700
Financing:			
Fiscal year 1967 basic appropriation .....	5,015,800	5,015,800	-----
New obligational authority (proposed supplemental appropriation) .....	-----	403,700	403,700

An additional \$403.7 million is required. Based upon an actual strength of 886,350 at the end of fiscal year 1966 and a revised strength objective of 898,600 on June 30, 1967, the average strength of 855,493

216 SUPPLEMENTAL DEFENSE AUTHORIZATIONS AND APPROPRIATIONS

in the initial fiscal year 1968 estimate will be increased approximately 44,600 to a revised average strength of 900,136.

The supplemental funds provide for the following:

	<i>Millions</i>
Pay and allowances of officers.....	\$39.9
Pay and allowances of enlisted personnel.....	220.4
Subsistence of enlisted personnel.....	53.2
Permanent change of station travel.....	72.3
Other military personnel costs.....	17.9
Total.....	403.7

There are two factors contributing to the overall increase of \$403.7 million.

First, the pay, allowances, subsistence, and travel of the additional 5,628 officers and 39,469 airmen amounts to \$217.6 million.

Second, \$186.1 million covers all the other personnel expenses for the continuation of southeast Asia activities and its resultant impact upon our personnel program through the force. Changes in deployment and revised personnel programs have caused increases in various allowances for our personnel such as basic allowances for quarters; hostile fire duty pay; family separation allowances; and permanent change of station programs including accession, training, and rotational move requirements. In addition, price increases have occurred in other programs involving food, clothing, life insurance, and interest payments on servicemen's deposits.

This supplemental estimate does not include funds for the fiscal year 1967 military pay raise which will be requested by separate action.

NATIONAL GUARD PERSONNEL

*Program and financing*

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 supplemental appropriation
Direct program by activities: Reserve component personnel..	82,000	82,290	290
Total direct program.....	82,000	82,290	290
Financing: Fiscal year 1967 basic appropriation.....	-82,000	-82,000	-----
New obligational authority (proposed supplemental appropriation) <sup>1</sup> .....	-----	290	290

An additional amount of \$290,000 is included in the request for increased drill spaces. The additional requirement for the designated Air Guard squadrons is 1,101 paid drill spaces to maintain 100 percent manning of the active duty requirement. Experience gained in combat operations has shown the need for increases in military manpower to obtain maximum utilization of the aircraft. There are nine F-100 tactical fighter squadrons, four RF-84 tactical reconnaissance squadrons, and one tactical control group designed to maintain increased readiness status for southeast Asia support. These units are authorized to be manned at 100 percent of their active duty requirement.

## OPERATION AND MAINTENANCE

*Program and financing*

[In thousands of dollars]

	1967 presently available	1967 <sup>1</sup> revised estimate	1967 supplemental appropriation
Direct program by activities:			
410 Aircraft fuel and oil.....	516,968	533,373	16,405
430 Logistical support.....	1,814,726	2,128,702	313,976
440 Training support.....	348,788	348,788	-----
450 Operational support.....	1,629,604	1,817,498	187,894
470 Medical support.....	158,192	165,820	7,628
480 Servicewide support.....	469,889	471,986	2,097
490 Contingencies.....	3,110	3,110	-----
Total direct program.....	4,941,277	5,469,277	528,000
Financing:			
Fiscal year 1967 basic appropriation.....	-4,943,100	-4,943,100	-----
Transfers (net) of fiscal year 1967 basic appropriation.....	+1,823	+1,823	-----
New obligational authority (proposed supplemental appropriation) <sup>1</sup> .....	-----	528,000	528,000

<sup>1</sup> Excludes supplemental appropriation required for civilian pay increase and military medical benefits proposed for separate transmittal.

The amount of \$528 million is needed to cover the following:

## AIRCRAFT FUEL

We require an additional \$16.4 million for aircraft fuel. This increase is related to several factors. There have been two price increases, effective on July 1, 1966, and October 1, 1966. The net resultant unit cost increase of these actions is a half cent per gallon for jet fuel and about 1½ cents per gallon for other aviation fuel. Taken together, these result in an additional requirement of \$6.4 million. Funds are also needed to support approximately 304,000 additional flying hours.

## LOGISTICAL SUPPORT

The supplemental request for logistical support is \$314 million.

*Depot level maintenance.*—Approximately one-third of this (\$135.8 million) is for the depot level maintenance of airborne and ground equipment to be accomplished under contract. To support the increased workload associated with southeast Asia activity, greater use of contractor overhaul facilities is necessary. The predominant increased workload is related to the F/RF-4, F-105, C-123, and C-130 aircraft.

*Transportation.*—An increase of \$81.4 million is required to cover transportation expenses for moving materiel from our CONUS depots to southeast Asia bases. The movement of ammunition alone will require an additional \$41 million. The current tonnage estimate for shipment of ammunition is significantly greater than was contemplated in the original fiscal year 1967 budget estimate. We are also shipping additional high-priority cargo by Military Air Command aircraft, financed through the industrial fund, which will require an increase of approximately \$34 million.

*Supplies and equipment.*—The procurement of materiel by the Air Force Logistics Command for shipment to the various overseas bases will require an additional \$95.4 million. \$18 million is for the procurement of herbicides used by C-123 aircraft in spraying operations; \$12.2 million will procure body armor for base security personnel, ceramic armor for aircrews and initial supplies and equipment for our civil engineer "Red Horse" heavy repair squadrons; \$15.6 million will purchase materiel to be used in depot overhaul of airborne and ground equipment; \$46.0 million will be needed for procurement of replacement materiel, such as vehicle engines, transmissions, rear axle assemblies, cement, water purification equipment, nonaircraft gunnery equipment, refrigerators, cameras, and survival equipment.

#### OPERATIONAL SUPPORT

To provide for the additional day-to-day operating expenses of our combat forces, \$187.9 million in supplemental funds will be required.

*Transportation.*—Of this amount, \$14.1 million is for the travel and transportation of personnel. The most significant of these expenses are the per diem payments to C-130 aircrews performing intratheater airlift requiring \$4.9 million, emergency and tour extension leave payments amounting to \$1.8 million, and \$5.2 million for teams to assist base personnel in bringing southeast Asia installations up to a combat-ready status and maintaining such levels.

*Other operational support.*—\$8.0 million is provided for the rental of equipment including computers for supply management, radios for security operations, ground powered equipment, plus increased expenses for utilities and base communications. An additional \$18.2 million is also programmed for repair and maintenance of real property facilities by contract.

As you know, we are responsible for airlifting all U.S. troops in southeast Asia to and from rest and recuperation areas as well as the aeromedical evacuation of all troops. To carry out these responsibilities will require an additional \$19.1 million.

It is necessary to augment base organizations with contractor assistance to accomplish the field level maintenance of aircraft and equipment pending availability of our own trained personnel. This will require \$15.9 million.

*Supplies and equipment.*—The most significant increase is \$98.1 million for the procurement of supplies and equipment. This increase is directly related to the needs of the newly activated bases, and the replacement of materiel due to environmental conditions which have caused deterioration at a much faster rate than anticipated. The added flying activity has increased support requirements. Examples of the type of materiel which we are procuring with these funds are sandbags, planking, security fencing, flying clothing, handtools, communication and vehicle parts, binoculars, intrusion alarms, washing and sewing machines, bedding, and petroleum.

#### MEDICAL SUPPORT

To finance the additional requirements for medical support, \$7.6 million is being requested. This will provide \$2.5 million for initial

equipment and \$5.1 million for initial stocking of materiel in the new and expanded medical facilities in southeast Asia.

COMMUNICATIONS

We have found it necessary to provide additional leased long-line communications in the Pacific area in support of command and control activities. To finance these additive communications costs, \$2.1 million has been included in this supplemental request.

AIRCRAFT PROCUREMENT

*Program and financing*

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 supplemental appropriation
Direct program by activities:			
1. Combat aircraft.....	1,524,800	1,982,200	457,400
2. Airlift aircraft.....	570,400	570,400	-----
3. Trainer aircraft.....	28,200	63,000	34,800
4. Other aircraft.....	37,100	43,900	6,800
5. Modification of inservice aircraft.....	565,600	770,900	205,300
6. Aircraft spares and repair parts.....	827,600	1,347,200	519,600
7. Aircraft support equipment and facilities.....	828,700	907,800	79,100
Total, direct program.....	4,382,400	5,685,400	1,303,000
Financing:			
Reimbursable sales not requiring replacement in kind.....	-269,100	-269,100	-----
Recoupments.....	-100,600	-100,000	-----
Fiscal year 1967 basic appropriation.....	-4,017,300	-4,017,300	-----
Transferred to "Emergency fund, Defense" (80 Stat. 989).....	4,000	4,000	-----
New obligational authority (proposed supplemental appropriation).....	-----	1,303,000	1,303,000

Next, I will cover aircraft procurement. The total request is \$1,303 million.

We propose to procure additional F-4E aircraft for attrition. The F-4E is the improved, internal gun, model of the F-4. As Secretary McNamara pointed out, we made a very large buy specifically for attrition last year. Our losses are running somewhat less than projected.

We will also buy additional F-5 aircraft which will round out a total F-5 buy.

We plan to procure additional A-37B's which, together with those already approved, will provide equipment for VNAF squadrons.

In addition, we plan to buy a total of 101 trainer aircraft—T-37's, T-38's, and T-41's. This represents a portion of the total program which will enable us to increase pilot production by 536—to a total of 3,481 in fiscal year 1969 and thereafter. This includes 145 for the Air National Guard and 89 for MAP.

Four HH-53 rescue helicopters are planned for attrition replacement. As you know, our rescue helicopter force is doing a magnificent job. The remaining items in aircraft procurement are in the support area. \$205.3 million is required for modifications. The principal modifications are for the B/RB-66, the F/RF-4, and the F-105. These modifications are designed to give us improved operational capability against enemy defenses.

220 SUPPLEMENTAL DEFENSE AUTHORIZATIONS AND APPROPRIATIONS

For aircraft spares we are requesting a total of \$519.6 million. Of this amount \$99.5 million is for initial spares for the new aircraft procurement which I have enumerated. The remaining \$420.1 million is for replenishment spares. Most of this is for support of wartime activity rates during fiscal year 1968 compared to the peacetime rates on which the original fiscal year 1967 budget was based.

MISSILE PROCUREMENT

*Program and financing*

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 supple- mental ap- propriation
Direct program by activities:			
1. Ballistic missiles.....	359,700	359,700	-----
2. Other missiles.....	108,200	108,200	-----
3. Modification of in-service missiles.....	235,300	235,300	-----
4. Spares and repair parts.....	73,800	73,800	-----
5. Other support.....	462,500	507,500	45,000
Total, direct program.....	1,239,500	1,284,500	45,000
Financing:			
Recoupments.....	-50,000	-50,000	-----
Fiscal year 1967 basic appropriation.....	-1,189,500	-1,189,500	-----
New obligational authority (proposed supplemental appropriation).....	-----	45,000	45,000

For missile procurement, \$45 million is required for a classified project.

OTHER PROCUREMENT

*Program and financing*

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 supplemental appropriation
Direct program by activities:			
1. Munitions and associated equipment.....	1,301,100	1,738,783	437,683
2. Vehicular equipment.....	102,000	124,100	22,100
3. Electronics and telecommunications equipment.....	317,300	360,917	43,617
4. Other base maintenance and support equipment.....	512,200	544,800	32,600
Total, direct program.....	2,232,600	2,768,600	536,000
Financing:			
Reimbursable sales not requiring replacement in kind....	-35,000	-35,000	-----
Recoupments.....	-75,000	-75,000	-----
Fiscal year 1967 basic appropriation.....	-2,122,600	-2,122,600	-----
New obligational authority (proposed supplemental appropriation).....	-----	536,000	536,000

In other procurement, we are requesting additional funding of \$536 million. Of this, \$437.7 million is required for munitions, including rocket and bomb component parts, additional rocket warheads, bombs, and bomb canisters and minor increases for other munitions items. These increases support current objectives to provide for combat consumption and a pipeline plus a safety level for key items required for continuation of operations in southeast Asia. Similarly, provision

must also be made for additional and new procurements of vehicles, cryptographic and organizational communications equipment, personal safety and rescue equipment, generators, shelters, spares, and industrial facilities.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

*Program and financing*

[In thousands of dollars]

	Presently available	Revised estimate	Proposed supplemental
Direct program by activities:			
1. Military sciences.....	159, 776	159, 776	-----
2. Aircraft and related equipment.....	701, 354	711, 354	10, 000
3. Missiles and related equipment.....	862, 401	862, 401	-----
4. Military Astronautics and related equipment.....	918, 097	918, 097	-----
7. Other equipment.....	285, 097	308, 097	23, 000
8. Programwide management and support.....	208, 350	208, 350	-----
Total, direct program.....	3, 135, 075	3, 168, 075	33, 000
Financing:			
Unobligated balance available from prior years.....	-27, 189	-27, 189	-----
Unobligated balance available to finance subsequent year budget plans.....	27, 865	27, 865	-----
Transferred from emergency fund, Defense (80 Stat. 989, 990).....	-23, 151	-23, 151	-----
Fiscal year 1967 basic appropriation.....	-3, 112, 600	-3, 112, 600	-----
New obligational authority (proposed supplemental appropriation).....	-----	33, 000	33, 000

In R.D.T. & E., our total request is \$33 million. Ten million of this is required for aircraft operational support projects with the immediate objective of enhancing the Air Force's night interdiction capabilities and providing increased weapon delivery accuracies for tactical aircraft.

We require \$2 million to continue work on improved navigation. Also required is \$3 million for expediting development of various conventional munitions.

Eleven million is requested for four projects for other operational support.

MILITARY CONSTRUCTION

For "Military construction," we request an additional \$196 million. Approximately \$104 million of this amount is for the construction of facilities in Vietnam, \$72 million in Thailand, \$18 million in other countries, and \$5 million for design. Some \$90 million is programed for operational and training type facilities, \$40 million for maintenance and supply-type facilities, \$24 million for personnel facilities, \$4 million for administrative and medical facilities, and \$33 million for utilities systems.

In his statement before your committee, Secretary McNamara discussed the problem of construction cost overruns, which currently total \$126 million for the DOD in southeast Asia after application of \$77 million in construction contingency funds. Of this total of \$126 million, Air Force southeast Asia projects account for \$72 million. Cost overruns on Air Force projects outside of southeast Asia are relatively small, totaling about \$3 million.

## SUMMARY

In summary, the funds for which we are requesting new appropriations will enable us to continue southeast Asia support. They are principally for personnel, stepped-up operational requirements, munitions, attrition aircraft and aircraft support to continue activities beyond June 30, 1967. Lesser amounts are included for high priority R. & D. projects and to give a greater capability to our southeast Asia base structure as well as to a limited number of bases directly supporting the southeast Asia logistic effort.

Mr. Chairman, this concludes my statement. I will be pleased to answer any questions which you might have.

## DEPARTMENT OF DEFENSE

STATEMENT BY MR. JOSEPH S. HOOVER, DEPUTY ASSISTANT SECRETARY OF DEFENSE (COMPTROLLER)

## BUDGET REQUEST

Mr. Chairman and members of the committee, I welcome the opportunity to appear before your committee to present the Defense agencies requirements for fiscal year 1967 supplemental appropriations for the support of operations in southeast Asia.

I will discuss the requirements of the Defense components other than the Departments of the Army, Navy, and Air Force. These requirements total \$223.8 million for the appropriations:

Operation and maintenance, Defense agencies.....	\$85,800,000
Claims, Defense.....	9,000,000
Research, development, test, and evaluation, Defense agencies.....	22,000,000
Defense stock fund.....	107,000,000
<b>Total</b> .....	<b>223,800,000</b>

## OPERATION AND MAINTENANCE, DEFENSE AGENCIES

*Program and financing*

[In thousands of dollars]

	1967 presently available	1967 revised estimate <sup>1</sup>	1967 supple- mental ap- propriation
Direct program by activity:			
Supply operations.....	461,336	541,394	80,058
Field operations.....	307,494	313,182	5,688
Interdepartmental activities.....	123	123	-----
Management.....	40,064	40,118	54
Total direct program.....	809,017	894,817	85,800
Financing:			
Net functional transfers to or from the services.....	-2,517	-2,517	-----
Fiscal year 1967 basic appropriation.....	-806,500	-806,500	-----
New obligational authority (proposed supplemental appropriation) <sup>1</sup> .....	-----	85,800	85,800

<sup>1</sup> Excludes supplemental appropriation required for civilian pay increase proposed for separate and later transmittal.

*Defense Supply Agency*

Of the \$85.8 million requested for the appropriation "Operation and maintenance, defense agencies," \$80.1 million is required to finance

the expense of increased supply workloads to support military operations in southeast Asia. The Defense Supply Agency must be completely responsive to the supply requirements of the military services, and its workload is therefore controlled by the military services. Of the \$80.1 million, \$11.5 million represents the expenses of processing an expanded volume of requisitions for DSA material and the increased workload in procurement and inventory control offices; \$48.8 million is required for the operation of all eight Defense Supply Agency depots on a fully staffed two-shift basis with a third shift in key or critical functional areas, and labor and material expense for level "A" pack and "unitized" shipments; and \$19.8 million for the accelerated rate of operations at Contract Administration Services Regional, District, Field, and Industrial Security Offices.

*Defense Communications Agency, \$5.2 million*

The Defense Communications Agency requires fiscal year 1967 supplemental funds in the amount of \$5.2 million to provide additional communications support for the mainland region of southeast Asia and for Defense Special Security Communications Systems.

*Defense Contract Audit Agency, \$0.3 million*

Accelerated military service procurement and construction programs in support of southeast Asia have further increased the contract audit workloads of the Defense Contract Audit Agency. This Agency will require an additional \$0.3 million to support these workloads.

*Other requirements, \$0.2 million*

The Armed Forces information and education activity will require \$0.2 million to provide a balance television information and education program for military and civilian personnel in South Vietnam. This requirement and \$54,000 for support of increased southeast Asia planning and operations by the Joint Chiefs of Staff completes the fiscal year 1967 supplemental request for "Operation and maintenance, Defense agencies."

CLAIMS

*Program and financing*

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 supple- mental ap- propriation
Direct program:			
Personnel claims.....	11,350		3,964
Tort claims.....	13,230		4,818
Admiralty claims.....	390		151
Other miscellaneous claims.....	30		67
Total, direct program.....	25,000	34,000	9,000
Financing: Fiscal year 1967 basic appropriation.....	-25,000	-25,000	
New obligational authority (proposed supplemental appropriation).....		9,000	9,000

The \$9 million request is for the estimated increased requirements essentially due to claims arising from the increase in troop strength and associated service movement activity. Obligations incurred under

the claims appropriation through December 31, 1966, were \$17,613,000 or 70.5 percent of the \$25 million appropriated for fiscal year 1967. At the rate of obligations being experienced, the appropriation will be depleted by early March 1967, without consideration of the occurrence of any new major incident. Undue hardship will befall claimants unless valid claims can be paid promptly. The fiscal year 1967 supplemental request of \$9 million is required to assure the prompt payment of valid claims during fiscal year 1967.

## RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE AGENCIES

*Program and financing*

[In thousands of dollars]

	1967 presently available	1967 revised estimate	1967 supplemental appropriation
Direct program by activities:			
1. Military sciences.....	106,834	106,834	
2. Aircraft and related equipment.....	11,679	11,679	
3. Missiles and related equipment.....	114,460	114,460	
4. Military astronautics and related equipment.....	3,500	3,500	
7. Other equipment.....	220,913	242,913	22,000
8. Programwide management and support.....	10,546	10,546	
Total direct program.....	467,932	489,932	22,000
Financing:			
Sales of materials without replacement in kind.....	-1,300	-1,300	
Unobligated balance available from prior years.....	-5,793	-5,793	
Fiscal year 1967 basic appropriation.....	-459,059	-459,059	
Transferred to "Military construction, Defense agencies" (80 Stat. 989).....	440	440	
Transferred from "Emergency fund, Defense" (80 Stat. 989).....	-2,220	-2,220	
New obligational authority (proposed supplemental appropriation).....		22,000	22,000

The R.D.T. & E. supplemental totals \$22.0 million and covers two projects.

*Advanced Research Projects Agency, \$20.0 million*

Additional research effort in the area of advanced sensors is required for the support of southeast Asia operations. A supplemental request for \$20.0 million has been included in the budget for the Advanced Research Project Agency in order to finance this effort at the required level.

*Defense Communications Agency, \$2.0 million*

The remaining \$2.0 million requested under R.D.T. & E. is required to support a classified project assigned to the Defense Communications Agency.

## DEFENSE STOCK FUND

## NARRATIVE JUSTIFICATION

A cash augmentation of \$107 million will be required in Fiscal Year 1967. This is due to the investment in inventories, required to support increased activity attributable principally to the Southeast Asia situation. The cash balance at the beginning of the fiscal year was \$365.7 million. The collection and disbursements during the fiscal year are estimated to be \$4,320.3 million and \$4,657.7 million respectively; a net expenditure of \$337.4 million. This would result in a year end balance of \$28.3 million, inadequate to cover any fluctuation in opera-

tions (the erratic pattern of variations currently being experienced from both sales and deliveries estimates has a corresponding impact on cash collections and disbursements). The \$107 million requested will provide an ending cash balance of \$135.5 million, which is considered rather conservative in view of fluctuations currently being experienced.

The buildup of military forces and increased activity in southeast Asia have greatly increased the volume of supply requirements placed upon the defense stock fund. This increased demand is indicated in a sales program that is expected to be 50 percent higher in fiscal year 1967 than in fiscal year 1966. In order to support this sales volume and to assure continuity of supply to our forces in southeast Asia and to provide adequate war reserve levels, the defense stock fund inventories must be increased from \$1,994 million to \$2,276 million—\$282 million—during fiscal year 1967. After considering all available cash resources on hand or expected to be available during fiscal year 1967, it has been determined that the defense stock fund will be short of necessary cash to support southeast Asia operations in the amount of \$107 million for fiscal year 1967. The \$107 million fiscal year 1967 supplemental is required to fill this deficiency and to assure the capability of the defense stock fund to support the required level of operations in southeast Asia.

#### SUPPLEMENTAL HEARING CONCLUSION

Chairman RUSSELL. Anything further? If not, we will conclude the hearing on the supplemental authorization and appropriation.

(Whereupon, at 3:05 p.m., Wednesday, January 25, 1967, the 1967 supplemental hearing (S. 665) was concluded and the committee proceeded with the consideration of S. 666, to authorize appropriations during the fiscal year 1968 for the procurement of aircraft, missiles, naval vessels, and tract combat vehicles, and research, development, test, and evaluation for the armed forces, and for other purposes.)



## CHRONOLOGICAL LIST OF HEARINGS

---

	Page
Monday, January 23, 1967 (Secretary of Defense; Chairman, Joint Chiefs of Staff).....	1
Tuesday, January 24, 1967 (Secretary of Defense; Chairman of Joint Chiefs of Staff).....	99
Wednesday, January 25, 1967 (Secretary of Defense; Chairman, Joint Chief of Staff).....	139



## LIST OF WITNESSES

---

	Page
McNamara, Hon. Robert S.....	1, 99, 139
Wheeler, Gen. Earle G.....	1, 99, 139

LIST OF WITNESSES

---

Page 100  
The number of witnesses is 100  
The number of witnesses is 100

# INDEX

A		Page
<b>Aircraft:</b>		
Authorizations .....		27
A-1-E .....		73
A-6 .....		150
A-7-A .....		37, 74
B-52 .....	32, 71, 110,	178
Bomber production policy .....		112
F-4 .....		36
F-105 .....		36
F-111 .....		164, 178
<b>Helicopter:</b>		
Losses .....		19
Thailand operations .....		175
Utilization .....		18
Losses .....		20, 85
Procurement summary .....		25
Sorties flown .....		66
SST (Supersonic transport) .....		112
TF30P12 .....		165
<b>Allies:</b>		
Aid furnished by U.S. Government .....	37, 41, 82, 117, 119, 128, 170	
Assistance for Vietnam .....	11, 41, 44	
Australia .....		81
Efforts made for assistance .....	41, 55	
England .....		55
France .....		55
Philippines .....	42, 81, 106	
South Korea .....	41, 81, 106, 170	
Trade with Vietcong .....		74, 83
<b>Ammunition:</b>		
Bomb inventories and usages .....	83, 93, 179, 187	
Captured from Vietcong .....		16, 69
Consumption .....	19, 20, 60, 147	
Leadtime .....		10
North Vietnam supply. (See Vietcong.)		
Shortages .....		59, 93
Authorization bill .....		1
<b>B</b>		
Balance of payments .....		134
Battleship. (See Naval bombardment.)		
Black market activities. (See Supplies.)		
Bombing. (See Vietcong.)		
Budget estimate .....	1, 22, 29, 52, 121, 163	
Adequacy .....		163
<b>Air Force:</b>		
Aircraft procurement, Air Force .....		219
Military construction, Air Force .....		221
Military personnel, Air Force .....		215
Missile procurement, Air Force .....		220
National Guard personnel, Air Force .....		216
Operation and maintenance, Air Force .....		217
Other procurement, Air Force .....		220
Research, development, test, and evaluation, Air Force .....		221
Summary .....		214, 222

## Budget estimate—Continued

	Page
Army:	
Army stock fund.....	200
Military construction, Army.....	199
Military personnel, Army.....	189
Operation and maintenance, Army.....	191
Procurement of equipment and missiles, Army.....	195
Research, development, test, and evaluation, Army.....	198
Reserve personnel, Army.....	190
Summary.....	201
Comparison of service estimates and President's budget.....	122
Defense agencies:	
Claims, Defense.....	223
Defense stock fund.....	224
Operation and maintenance, Defense.....	222
Research, development, test, and evaluation, Defense.....	224
Financing Korea and World War II.....	53, 65
Navy:	
Military construction, Navy.....	210
Military personnel, Marine Corps.....	203
Military personnel, Navy.....	202
Navy stock fund.....	211
Operation and maintenance, Marine Corps.....	205
Operation and maintenance, Navy.....	204
Other procurement, Navy.....	207
Procurement, Marine Corps.....	209
Procurement of aircraft and missiles, Navy.....	206
Research, development, test, and evaluation, Navy.....	210
Summary.....	212
Planning and assumptions.....	52, 65, 79, 180
Reductions made by Secretary of Defense.....	121, 126
Summary tables.....	29

## C

Cedar Falls.....	85, 108, 111
Chinese theft of Russian SAM's.....	84
Civilian Personnel summary.....	28
Civilian visitors to Southeast Asia.....	116
Commendation of Secretary of Defense.....	134
Committee procedure.....	6, 33
Computer in Bangkok.....	142
Construction. (See Military Construction.)	
Cost of war in Southeast Asia.....	96, 115, 134, 158
Cost overruns.....	38
Counterinsurgency. (See Military personnel.)	

## D

Draft calls.....	126, 133
------------------	----------

## E

Economy, ability of United States to continue financial cost of war.....	96
Enclave tactics.....	130

## F

Foreign policy. (See Policy of U.S. Government in Southeast Asia.)

## G

Gold flow. (See Balance of payments.)	
Gross national product.....	96, 135

## H

Haiphong. (See Vietcong.)

## K

Kennan, Pfc. Charles W.....	150
Korea. (See Allies.)	

## INDEX

VII

	L	Page
Laos.....		184
Laser ray.....		84
	M	
MAAG's.....		129
Manila:		
Conference.....		127
Shipping, "holdings".....		121
Manpower. (See Military personnel.)		
Military Airlift Command.....		22
Military construction:		
Airbase curtailment.....		46
Budget summary.....	2, 5, 26, 115, 144, 148,	184
Cam Ranh Bay.....		143, 148
Deferred items.....		184
Fuel storage facilities.....		144
Military personnel:		
Budget summary.....		3, 23
Counterinsurgency.....		176
Information and education program.....		175
Morale.....		99
Movements by air.....		22
Pay increases.....		53
Prisoners of war.....		152, 156
Ratio of forces to aggressor.....		44
Rations.....		21
Recommendation of General Westmoreland.....		49, 52
Reserve training and callup.....		51
Strength.....	28, 44, 49, 52, 63,	113
Strength related to southeast Asia.....		18, 40, 113, 157
Thailand, U.S. troops in.....		40, 47, 88, 157
Tours of duty.....		126
Training.....		151, 176
Missiles:		
Authorizations.....		27
ABM (antiballistic missile).....		112, 160
	N	
Naval bombardment.....		150, 181
Newspaper articles. (See Press.)		
	O	
Operation and maintenance, summary.....		3, 23
	P	
Pacification program. (See Vietnam.)		
Pay increase costs.....		53
Press:		
Associated Press.....		114
Reliability of coverage.....		114
Sensational journalism.....		109, 114
United Press.....		114
U.S. News & World Report.....		56, 109
Washington Post.....		39
Washington Star.....		79, 84, 152
Policy of U.S. Government in southeast Asia.....		11,
	34, 53, 96, 101, 105, 118, 119, 128, 155, 174, 184	
Prisoners of war. (See Military personnel.)		
Procurement:		
Aircraft.....		25
Ammunition.....		24
Budget summary.....		4, 24, 32
	Q	
Questions filed by Senator Stennis.....		142

R		Page
Research and development budget request.....		2, 29
Reserves. (See Military personnel.)		
Revolving funds.....		27
Rifles, inventories and procurement.....		126, 132
S		
S. 665.....		1
Shipping improvements.....	21, 115, 120, 142	
Space, DOD funding.....		113, 161
Statements:		
Air Force.....		213
Army.....		189
Defense agencies.....		222
Navy.....		202
Release of.....		6, 33
Secretary of Defense.....		6
Submarine activity.....		181
Supplies:		
Black market activities.....		162, 177
Improvements in unloading ships.....		21, 72, 120
Summary of shipments.....		21, 72
T		
Target selection. (See Vietcong.)		
Thailand.....	40, 47, 87, 95, 142, 148, 157, 175	
Training. (See Military personnel.)		
V		
Veneral disease rate.....		39
Vietcong:		
Ability to support war without North Vietnam.....		118, 185
Aircraft activity.....		80
Ammunition and weapon losses.....		69, 80
Source of supply and replenishment.....		146
Atrocities against civilians.....		106
Base of operations.....		102
Bombing:		
Authority for bombing North Vietnam targets.....		80, 94, 99, 129, 132, 137, 145, 174
Cessation.....		90, 99
Civilian casualties.....		63, 76, 146
Effect on.....		20, 35, 48, 57, 62, 63, 67, 69, 73, 77, 90, 100, 110, 137, 140, 178
Target selection. (See Authority for bombing North Vietnam targets.)		
Casualties.....		16, 68, 186
Cease-fire negotiations.....		105
Chinese personnel.....		153
Communist world support.....	20, 58, 62, 72, 78, 80, 88, 107, 109,	118
Defections.....		16
French officers.....		106
Haiphong activities and facilities.....		57, 62, 110
Ho Chi Minh trail.....		137
Incentives for fighting.....		55
Infiltration.....	56, 67, 72, 129, 135, 173,	185
Naval bombardment of North Vietnam.....		80, 182
Petroleum.....	20, 57, 62, 70, 77,	141
Power facilities.....		140
Prisoner of war.....		152, 156
Railroads.....		48
Recruitments.....		40, 186
Regular Army.....		68, 186
Shipping at Haiphong.....		154
Strength.....	14, 40, 43, 56, 72, 129,	186
Surface-to-air missiles.....		76, 93, 107, 109, 133

Vietnam:	Page
Area and population controlled by Communists.....	48, 64, 119, 130
Artillery, use of.....	19
Budget assumptions and planning.....	7, 53
Buildup determined by military decision.....	35
Cam Ranh Bay.....	132, 143
Cease-fire negotiations.....	105
Cedar Falls operation.....	85, 108, 111
Civil war.....	101, 103
Civilian movement to new areas.....	85
Command responsibility.....	108
Composition of enemy forces.....	103
Cost overruns.....	38
Desertions.....	56, 154
Duration of hostilities.....	45, 54, 62, 79, 90, 96, 180
Enclave tactics.....	130
Harbor dredging operations.....	89
Hospitals and medical care.....	39
Inflation.....	34, 64
Iron triangle.....	169
Malaria.....	186
Mekong Delta.....	48, 52, 63, 101, 113, 139, 157
Military junta.....	104
Military Assistance Command.....	144
Military objectives.....	11, 35, 155
Military strength.....	17, 44
Navy strength.....	17
Pacification.....	13, 60, 64, 176
Piaster problem.....	49
Policy of U.S. Government. (See Policy.)	
Port capacity.....	115, 120
Prisoners of war.....	152, 156
Ratio of forces to aggressor.....	44
Rice requirements and production.....	64
Search and destroy operations.....	111
Stability of government.....	75
Strength.....	154
Veneral disease rate.....	39
Visitors from the United States.....	116
Withdrawal of U.S. forces.....	127

## W

War cost. (See Cost of war.)





