

Y4
.Ar 5/3

1039

93
Ar 5/3
R 39

R 39

NOMINATIONS OF ELLIOT L. RICHARDSON AND WILLIAM P. CLEMENTS

GOVERNMENT

Storage

APR 6 1973

THE LIBRARY
KANSAS STATE UNIVERSITY

HEARING

BEFORE THE

COMMITTEE ON ARMED SERVICES

UNITED STATES SENATE

NINETY-THIRD CONGRESS

FIRST SESSION

ON

NOMINATION OF ELLIOT L. RICHARDSON, TO BE SECRETARY
OF DEFENSE

NOMINATION OF WILLIAM P. CLEMENTS, TO BE DEPUTY
SECRETARY OF DEFENSE

JANUARY 9, 10, 11, AND 12, 1973

Printed for the use of the Committee on Armed Services



U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1973

88-493

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION



COMMITTEE ON ARMED SERVICES

JOHN C. STENNIS, Mississippi, *Chairman*

STUART SYMINGTON, Missouri
HENRY M. JACKSON, Washington
SAM J. ERVIN, Jr., North Carolina
HOWARD W. CANNON, Nevada
THOMAS J. MCINTYRE, New Hampshire
HARRY F. BYRD, Jr., Virginia
HAROLD E. HUGHES, Iowa
SAM NUNN, Georgia

STROM THURMOND, South Carolina
JOHN TOWER, Texas
PETER H. DOMINICK, Colorado
BARRY GOLDWATER, Arizona
WILLIAM SAXBE, Ohio
WILLIAM L. SCOTT, Virginia

T. EDWARD BRASWELL, JR., *Chief Counsel and Staff Director*

JOHN T. TIGER, *Chief Clerk*

(II)

CONTENTS

Elliot L. Richardson, nominee to be Secretary of Defense-----	Page 7
William P. Clements, nominee to be Deputy Secretary of Defense-----	135

(III)

CONTENTS

Index, Richardson, nominee to be Secretary of Defense	7
Index, McClellan, nominee to be Secretary of Defense	157

NOMINATION OF ELLIOT L. RICHARDSON, TO BE SECRETARY OF DEFENSE

TUESDAY, JANUARY 9, 1973

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C.

The committee met, pursuant to call, at 10 a.m., in room 318, Richard B. Russell Building, Hon. John C. Stennis, chairman.

Present: Senators Stennis (presiding), Symington, Byrd, Jr., of Virginia, Hughes, Nunn, Thurmond, Tower, Goldwater, Schweiker, and Saxbe.

Also present: T. Edward Braswell, Jr., chief counsel and staff director; John T. Tier, chief clerk; Herbert S. Atkinson, assistant chief clerk; Charles J. Conneely, George H. Foster, Jr., Labre R. Garcia, John A. Goldsmith and Don L. Lynch, professional staff members; Nancy J. Bearg, research assistant; Doris E. Connor and Dorothy Pastis, clerical assistants; Ben J. Gilleas, director of investigations, Preparedness Investigating Subcommittee, and Edward B. Kenney, professional staff member, Preparedness Investigating Subcommittee.

The CHAIRMAN. Our committee will please come to order.

I will make a brief preliminary announcement about these hearings to the committee members.

Gentlemen, the notices went out for this meeting to consider the following nominations, Mr. Richardson, Mr. Clements, and Mr. Schlesinger. But all the time the chair had in mind that each of these positions, being so important, deserved a separate and independent hearing, so to that extent I will correct this notice.

This hearing today with reference to the nomination of Mr. Richardson to be Secretary of Defense. We will continue until all the testimony is taken, all that can be taken in opposition, and then we will have a closed session, if it is necessary, to consider matters that may be classified.

Following the executive session, we will take up the nomination of Mr. William P. Clements to be Deputy Secretary of Defense, and, since that is a highly important office in its own right, it will be a separate hearing. We will then take up the nomination of Mr. James R. Schlesinger to be Director of Central Intelligence; which will require a separate hearing. We will follow the same general rule, although on this CIA matter a great part of that would have to be behind closed doors.

The committee wants to hold as many open hearings as possible. When we hold closed hearings it is our judgment that it is necessary to do so.

Gentlemen of the photographic galleries, we have the rule, as you know, that about 3 minutes after the hearings start you will retire to your seats.

Before we begin the hearings I want to say a special word concerning the present Secretary of Defense, Mr. Melvin R. Laird. Mr. Laird, as always, has served his country well, and the last 4 years, it seems to me, have been very outstanding. I have told him many times that he had the intelligence, will power, and the dedication and the determination—and he could even show a little mean streak, if necessary—to do a good job. And I think he has done, a good job, always with an understanding of the problems from his standpoint, the committee's standpoint, and the Congress standpoint; and he was most helpful to us. We certainly thank him and we wish him well as he goes on to other endeavors.

Mr. Richardson, we welcome you here today. I see that the Senator from Massachusetts and a former member of this committee, Senator Brooke, is with you. When Senator Brooke came in, I thought maybe he was going to seek membership again and I told him we would take him on trial. He did mighty well before, and we are glad to have him here. Senator, if you wish to say a word about your fellow constituent from Massachusetts, please proceed.

(The nomination reference and report and biography of Secretary Richardson follows:)

NOMINATION REFERENCE AND REPORT

IN EXECUTIVE SESSION,
SENATE OF THE UNITED STATES.

January 4, 1973.

Ordered, That the following nomination be referred to the Committee on Armed Services: Elliot L. Richardson, of Massachusetts, to be Secretary of Defense.

-----, 19—.

Reported by Mr. ----- with the recommendation that the nomination be confirmed.

ELLIOT LEE RICHARDSON, SECRETARY OF DEFENSE

Elliot Lee Richardson was nominated as the 11th Secretary of Defense by President Nixon on January 4, 1973.

Secretary Richardson has served as Secretary of Health, Education, and Welfare since June 24, 1970. He previously had served the Nixon Administration as Under Secretary of State from January 24, 1969 until assuming the leadership of the Department of Health, Education, and Welfare.

Secretary Richardson was born in Boston, Massachusetts, on July 20, 1920. He was graduated cum laude from Harvard College in 1941 and received his law degree, also cum laude, from Harvard Law School in 1947.

He enlisted in the U.S. Army in 1942 as a private and was a first lieutenant at the time of his honorable discharge in 1945. He served in the European Theater of Operations as a litter-bearer platoon leader with the 4th Infantry Division and landed with that Division on D-Day in Normandy. Secretary

Richardson was awarded the Bronze Star Medal for Heroic Service and the Purple Heart with Oak Leaf Cluster. He is entitled to wear the Combat Medical Badge and the European Theater ribbon with arrowhead and five battle stars.

Upon graduation from the Harvard Law School, where he was president of the Law Review, Secretary Richardson served for a year as law clerk to Judge Learned Hand of the U.S. Court of Appeals for the Second Circuit. The next year (1948-1949) he was law clerk for Supreme Court Justice Felix Frankfurter.

From 1949 to 1953 and from 1955 to 1956, he was an associate in the Boston law firm of Ropes, Gray, Best, Coolidge & Rugg. In 1953 and 1954, Secretary Richardson served in Washington as assistant to Massachusetts Senator Leverett Saltonstall, who was then Chairman of the Senate Armed Services Committee. He served by appointment of President Eisenhower as Assistant Secretary of HEW for Legislation from 1957 to 1959; and as Acting Secretary of HEW from April to July 1958.

Secretary Richardson was United States Attorney for Massachusetts from 1959 to 1961, and in 1961 served as Special Assistant to the Attorney General of the United States.

From September 1961 to January 1962 and from January 1963 to December 1964 he was a partner in the law firm of Ropes & Gray. In 1963 he headed the Greater Boston United Fund Campaign.

Elected Lieutenant Governor of Massachusetts in 1964, Secretary Richardson coordinated the State's human resources programs. In 1966 he was elected Attorney General of Massachusetts and established the Nation's first State-level organized crime section.

As the Under Secretary of State from January 24, 1969 until June 24, 1970, Secretary Richardson participated in meetings of the National Security Council and was Chairman of the NSC Under Secretaries Committee. He also served as Chairman of the Board of the Foreign Service.

Secretary Richardson is the author of numerous articles on law and public policy.

Secretary Richardson has received honorary degrees from Massachusetts College of Optometry, Springfield College, Emerson College, the University of New Hampshire, Lowell Technological Institute, Harvard University, the University of Pittsburgh, Yeshiva University, Brandeis University, Ohio State University, Lincoln University, Temple University, Whittier College and Michigan State University.

He is a member of the National 4th (IVY) Infantry Division Association, Disabled American Veterans, and the American Legion.

Additionally, he is a member of the American Law Institute, the American Bar Foundation, Council on Foreign Relations, and the American Academy of Arts and Sciences. He has served as a Member of the Board of Overseers of Harvard University and chairman of the Overseers Committee to Visit the John F. Kennedy School of Government; and as a member of the Overseers Committees to Visit the Law School, the Medical School and School of Dental Medicine, the Department of Government, and the Harvard University Press. He was also a Director of the Harvard Alumni Association, 1957-60.

Further, Secretary Richardson is a former trustee of Radcliffe College and the Massachusetts General Hospital; President of the World Affairs Council of Boston; Director of the Salzburg Seminar in American Studies, the Massachusetts Bay United Fund, and United Community Services of Metropolitan Boston; and member of the Advisory Committee, Massachusetts Council for Public Schools, and the Executive Board, Boston Council, Boy Scouts of America.

Secretary and Mrs. Richardson, the former Anne F. Hazard of Peace Dale, Rhode Island, were married on August 2, 1952. They have three children: Henry, Nancy and Michael.

STATEMENT OF HON. EDWARD W. BROOKE, U.S. SENATOR FROM MASSACHUSETTS

Senator BROOKE. Thank you, Mr. Chairman and distinguished members of the committee. It is good to be back home again and it is particularly good to have this opportunity to introduce to this com-

mittee a longtime friend, Elliot Lee Richardson has great scholarship, of which you probably are well aware. He was the outstanding student at the Harvard Law School and served as the editor-in-chief of its law review. He then became the clerk to Justice Learned Hand.

He served in so many positions of distinction, both in Massachusetts and in the Nation, he served as Massachusetts lieutenant governor, as its attorney general, he served as the U.S. attorney for the district of Massachusetts. In the Federal Government he served as Assistant Secretary of Health, Education, and Welfare (HEW), he served as the Secretary of HEW, a post he now holds and, of course, he has now been nominated by the President to serve as the Secretary of Defense.

I think that Elliot Richardson can serve in just about any position in the Federal Government or in private industry or in the academic community, and I think it is obvious that President Nixon thinks the same thing because a man who has the qualifications for HEW now to be nominated for Secretary of Defense indicates the President has high regard for his administrative ability and his integrity.

I am going to conclude, Mr. Chairman, by saying that Elliot Richardson will be a great Secretary of Defense if confirmed by the U.S. Senate. He has a toughness of mind which certainly will enable him to do an excellent job. He has great skills but, in my opinion, particularly he has a conscience and he has a heart, and combined with that toughness of mind I think that this would mean that this man will be an unusual Secretary of Defense at a time when our country is hopelessly going from, a transition from, war to peace.

So I very proudly present him to this committee, and I am sure that he will do a good job before the committee and I am sure that the committee in its wise consideration and deliberations will recommend his confirmation to the U.S. Senate.

I thank you, Mr. Chairman, and members of the committee, and I beg leave because of prior commitments to withdraw.

The CHAIRMAN. We thank you very much for your statement, Senator.

Senator Thurmond, do you wish to make a statement?

Senator THURMOND. Mr. Chairman, I just want to thank Senator Brooke for appearing here. Senator Brooke is a comparatively new member of the Senate but he has already made a fine record and we are very proud of him, and I want to assure Secretary Richardson that Senator Brooke's endorsement certainly won't hurt you with me.

Thank you very much.

The CHAIRMAN. Thank you, Senator.

When this hearing is concluded we will proceed, as I said, with Deputy Secretary Clements' nomination, at which time I am going to recognize the Senator from Texas, Mr. Tower, a valued member of our committee. He will have some words to say then, I hope, but I do think we ought to keep the hearings separate, Senator.

Members of the committee, one other point: When the committee recesses today it will recess until tomorrow morning at 10 o'clock. The minority members have another caucus this afternoon, which makes it impossible to continue the hearing this afternoon. I have an opening statement, which I prepared, and I hope and believe it represents

largely the thinking of the committee but any committee member is free to say it is not theirs if they do not share these views. After I read the statement we will ask questions of Mr. Richardson. He does not have a prepared statement.

One other point, I wish to mention, we always check into any possible so-called conflicts of interest. This has been checked into by Mr. Richardson and his representatives and by Mr. Braswell, representing our committee, and will be considered in executive session.

We meet today to consider the nomination by the President for one of the most important positions in the executive branch of the Government. The nomination is of Mr. Elliot L. Richardson to be Secretary of Defense. He is presently Secretary of Health, Education, and Welfare.

Prior to this position he served as Under Secretary of State. During the 1960's he was both attorney general and lieutenant governor of the State of Massachusetts. Under President Eisenhower he served as an Assistant Secretary of HEW. The record should reflect that he served in 1953 and 1954 as assistant to the former Senator Leverett Saltonstall, one time chairman of this committee.

He is a graduate both of Harvard College and Harvard Law School, and served in the Army in World War II.

Prior to discussing this position, I would like to make some general observations. First, this confirmation process under which the Senate extends advice and consent to these statutory positions represents probably the most important element of constitutional control which the Congress can exercise with regard to the executive branch. This process prevents anyone from filling these positions until they have been approved at least by a majority of the Senate.

Second, these nominations represent day-to-day civilian control of the Department of Defense and the services. The Secretary and the Deputy Secretary are men who will control and manage this vast establishment. These nominations represent the joint civilian control by the President and the Congress over the military departments.

The Chair would like to make several specific observations on the Department of Defense as they relate to the nominations. First, there is no parallel in this or any other government in terms of size to the Department of Defense. This means there is no parallel to the job of Secretary of Defense, and the principal Deputy Secretary of Defense. Nowhere is there an activity in or out of this or any other government of the world which disburses \$75 to \$80 billion every year in such a variety of ways to thousands of contractors or to about 3 million military and civilian personnel scattered over many parts of the globe. The committee is, therefore, fully aware of what these jobs entail in terms of management alone, and management is Government's big problem today, as I see it.

The second biggest problem confronting Defense is rising costs, both in manpower and weapons. Unless we find some way to meet this problem it can only mean a vastly less effective defense.

Manpower costs now approximate 57 percent of the Defense budget. I understand that percentage will be higher when the last calculations are made, and can be expected to take an ever increasing portion unless

the trend is stabilized. Annual retirement costs, for instance, which are now about \$5 billion will rise to over \$21 billion annually by the year 2000 under the present system and with no new benefits added by law.

The Chair would hope that the Secretary will make every effort to make personnel reductions where efficiency will not be endangered.

The Chair also realizes that you have certain proposed legislation which would make modest changes in the retirement system. This entire problem needs your general attention and cannot be solved by mere modest changes.

With regard to weapons, the Department of Defense is faced with the grave problem of stretching the procurement dollar. I observe that both Mr. Packard and, I think, this committee, too, have made some progress on this highly complicated problem. A number of steps were made toward improving and simplifying procurement procedures such as prototyping and more emphasis on real hardware competition rather than paper competition.

The committee conducted hearings last year with outside experts on the problems of weapons systems procurement. The committee pointed out the problem of "gold plating"—that is, making the system so costly that we are unable to afford them in sufficient quantities for our national security—is most serious. The avionics alone, for instance, in some aircraft cost twice as much per pound as gold and weigh over 2 tons.

Another serious problem is the matter of concurrency which refers to the overlapping of development and procurement.

The Chair realizes that this is a judgment question, but I would urge the Secretary and also the Deputy Secretary to bear down hard on the problem, which means in many cases the development of the system in question will be slowed down until we make sure we know exactly what we want to buy.

For obvious reasons the committee is at a disadvantage in this field. I think it is up to the executive department to make the right kind of contract to start with. We have a duty, and I emphasize we have a very grave duty, but the initiative and the power to control it from the beginning and exercise the key judgments are naturally with the executive department.

The final issue with which I am gravely concerned is the matter of internal discipline within our military service. We can give to the Department of Defense and the services all the weapons and manpower requested, and more, and also money in the billions; but if we lack the proper discipline within any military unit, then in effect we have no real military strength so far as that unit is concerned, and they will make no contribution to security but instead will be a problem.

We will cover this matter in depth during the procurement hearings. However, we will ask Mr. Richardson to give us his attitude.

As I have said, any time during these hearings when it becomes necessary to go into executive session we will do so, but we will try to defer that until a more convenient time, perhaps another sitting.

Mr. Richardson, we welcome you. As I understand it you do not have a written statement. Do you wish to make any remarks now?

STATEMENT OF HON. ELLIOT L. RICHARDSON, NOMINEE TO BE SECRETARY OF DEFENSE

Secretary RICHARDSON. Thank you very much, Mr. Chairman and members of the committee.

I would just like to say by way of a very few opening remarks that I am deeply honored to appear here before this distinguished committee today on my nomination to be Secretary of Defense.

I realize, and I was greatly impressed now, Mr. Chairman, to hear your statement of the problems that lie ahead, that these, the responsibilities of the office of Secretary of Defense are truly enormous, and I am humbled by the thought of them.

Should the Senate confirm my nomination, I look forward to working very closely with this committee on the important matter of national security and our defense forces.

As you noted, Mr. Chairman, I did have the privilege about 20 years ago of serving on the staff of the then chairman of the committee, Senator Saltonstall. That gave me, I might add, a very wholehearted respect for the role of the committee, and the part played by the Congress in matters of national defense, and so I can assure the committee that if I am confirmed I will welcome the thoughts and suggestions of the committee and the benefit of your great individual and collective experience in the many complex facets of the operations of the Department of Defense.

It is, I think, fair to say that a strong and effective military posture has never been more critical to the security of the Nation than it is right now. As we continue under the President's leadership to move from the era of confrontation further into the era of negotiations, the success of our undertaking to secure a generation of peace requires that we maintain a clear sufficiency of military strength.

Although I have not had the opportunity, Mr. Chairman and members of the committee, in the time since my nomination, and given the continuing responsibilities I have at HEW, to study the operations of the Department of Defense in any detail, I did have at least the opportunity as Under Secretary of State to attend all meetings of the National Security Council, to work on a number of the committees of the National Security Council, and so I am not without some experience in the national security field.

If I should be confirmed I can assure the committee that I will work not only diligently but with all the intellect and energy at my command to get fully on top of the operations of the Department.

I might simply add, in conclusion, Mr. Chairman, that so far as I do have a grasp of the critical problems that lie ahead it seems to me that they were very succinctly and eloquently summarized in your own opening remarks.

The CHAIRMAN. Thank you, Mr. Richardson.

Members of the committee, I have some questions here, and I understand you have copies of them before you.

Mr. RICHARDSON, the committee members feel when you and others from the Department of Defense or from the services come before the

committee, that you do not come as adversaries and you are not supposed to be treated as adversaries either. At the same time, we do feel that your obligation is to be candid and forthright, to disclose fully all the facts that are reasonably necessary for us to make a sound judgment, always, of course, with a view to our national security.

We feel it should not be necessary to cross-examine you to a great extent, or anyone else from your Department or the services, but the information should be readily forthcoming largely on a voluntary basis.

We want to give you that assurance about how you will be treated by the committee and I know I can speak for everyone.

What is your response to these remarks that I made here about this candor and forthrightness, which is characteristic of you, with no implications to this question. I ask all nominees this same question in substance. What is your response?

Secretary RICHARDSON. My response, Mr. Chairman, is that candor and forthrightness on the part of myself and other witnesses representing the Department of Defense before this committee are indispensable to our joint role in the development and execution of national defense policy. I assure you, Mr. Chairman, and other members of the committee that I will always approach the committee in that spirit.

The CHAIRMAN. You mean personally, and also you will use your influence in that direction with other witnesses?

Secretary RICHARDSON. Exactly so.

The CHAIRMAN. These questions were delivered to you yesterday afternoon.

Secretary RICHARDSON. Yes; they were.

The CHAIRMAN. So you have had time to look at them. I am sure you are familiar with the legal requirement and legislative practice under which programs and items are first authorized and then funded with appropriations. It is a well-established concept spelled out in law. This refers to military, of course. There are some technicalities, however, weapons programs are not itemized by name in the annual authorization bills but they are spelled out and itemized in our records, and you do get copies of those records. Occasionally appropriations are sought to speed weapons which Congress has expressly refused to authorize. I would like to have your assurance that the Defense Department, under your stewardship, will observe both the letter and the spirit of the authorization and appropriations concept.

Secretary RICHARDSON. You will have that assurance, Mr. Chairman. Should there be any lack of clear understanding on my part or on the part of my associates we would expect to come back to the committee and to seek clarification.

The CHAIRMAN. That is fair enough, and that will be your policy throughout for all these items?

Secretary RICHARDSON. Yes, it would, Mr. Chairman.

The CHAIRMAN. Well, it has given us some trouble in the past. I am not imputing blame to anyone, but I have had the experience of making great efforts, say, to get certain weapons approved by the Senate and in conference, and learned while I was doing this that there was a very vigorous effort going on to have these certain weapons, which we

had expressly turned down by a recorded vote, included, notwithstanding the fact that they were not authorized.

So as I see it that is a lick in the back to me.

Secretary RICHARDSON. I might simply add to my previous response, Mr. Chairman, the point that apart from any need for clarification that may arise, we will also seek to assure, so far as possible, that there is mutual understanding between committees.

The CHAIRMAN. Thank you, that satisfies me.

Mr. Richardson, you have had great experience in the Government, but this is a different kind of experience, and I would like for you to give us your assurance that the recommendations of the Joint Chiefs of Staff are to be fully considered in the formulation of decisions and policy matters.

I strongly subscribe to the principle of civilian control over the military, and have emphasized it already today, but I think it highly important that military decisions not be made until after consultation with the Joint Chiefs of Staff.

Would you comment on that?

Secretary RICHARDSON. I fully concur, Mr. Chairman. It seems to me that the principle of civilian control makes sense only to the extent that civilians who do have positions of authority in the field of defense are aware of the limitations of their own professional knowledge.

The Chairman of the Joint Chiefs of Staff and the chiefs with whom he serves are the professional leaders of our armed services, and I would certainly want to work with them and with their military colleagues on a basis that fully recognizes that they are the experts on military matters.

The CHAIRMAN. All right.

If you should be confirmed, I think it very important that you review the Department directives concerning release of all information possible to the public consistent with national security. This is something you have, the Department has, come under fire about. I think it is essential that the public be provided with as much information as possible and also that the Members of the Senate and the House have the information to debate issues fully. For these reasons, I would ask that the security review procedures be examined again by you and kept under a constant, continuing process of examination so as to permit these disclosures where possible. I emphasize again that this must be accomplished consistent with national security.

Would you comment upon that?

Secretary RICHARDSON. I would be glad to comment, Mr. Chairman. First of all, I will assure the committee that, if confirmed, I would undertake the reexamination of security policies to which you refer. I know that a lot of work has been done and is still going on on this subject under Secretary Laird's leadership, but I will want to become fully familiar with what has been done and either reexamine or pursue that as may be indicated.

I also would like to add, Mr. Chairman, with respect generally to the subject of full information to the committee, to the Congress as a whole, and to the public, that it seems to me very clear that as we go into a period in which negotiations are continuing, a period in which

hopefully no hostilities will be underway, it is going to be more important than ever before to seek to develop broad public understanding of the reasons why it is still important for the United States to maintain substantial and effective armed strength. This, I believe, we can only accomplish through a policy of seeking to reach the maximum number of people with maximum understanding of the reasons underlying our proposed force levels, weapons systems, and military structures.

I think further that this objective depends to a very large degree upon the extent to which people feel that they can have confidence in the public utterances of spokesmen for the Department of Defense, not only with respect to our policies and purposes but with respect to their factual basis. All of these things are, I know, matters that have been the subject of concern and effort on the part of Secretary Laird, and I would expect to build upon what he has done in that direction.

The CHAIRMAN. All right.

Here is one I call to your special attention now. By the way, I have had probably the advantage of a 2-hour conference with you. I don't know to what extent the other members of this committee have talked with you about this position as Secretary of Defense, your coming over from HEW. You are still Secretary of HEW, a very fine service and organization and no implications to the contrary by my question. But, the Department of Defense is a totally different approach, a different department of Government, and has the reputation of being more hardnosed.

We talk about national security and essentiality of our military preparedness. I would like for you to elaborate, in light of the background of what I have said, about this transition for you and what would be your purposes in your heart and mind toward the military strength and security of the Nation.

Secretary RICHARDSON. It certainly is true, Mr. Chairman, as you have said, that the Department of HEW is very different in purpose and structure from the Department of Defense.

On the other hand, I think that some elements apply in common to both. The most important, perhaps, is that both are, after all, organizations of people. They are organizations in which the element of morale is important to the effectiveness of the institution. It is important, I believe, to both Departments that people have a sense of what the objectives of the organization are.

I have attempted in the Department of HEW to develop and apply a system of management by objectives which we call the operational planning system. Its function is to identify specific goals toward which progress is concretely measurable, and I believe that this is an approach that also has applicability in the identification of specific objectives for the components of the Department of Defense.

Then, too, I think that I have seen very clearly in the Department of HEW the proposition that we cannot afford to do everything at once that it might otherwise seem desirable to do. We simply do not have the resources to indulge all of our desires and to meet all our expectations at the same time. We have to choose, and so I believe that the experience I have had at HEW in recognizing the need for

clearer analysis and better evaluation of the effectiveness of our existing programs in order to try to make certain that our dollars are being as wisely spent as possible, also has clear relevance to the Department of Defense.

So far as the general problem of domestic claims for resources are concerned versus the claims of national security, I think it is fair to say that I have held to a very consistent point of view from the time I first came to this administration. I believed, as a member of the Department of State, that without national security, without the clear capacity to deter aggression, that we simply could not afford to meet domestic claims since we might wake up some day and find that we had no domestic claims to meet. As Secretary of HEW I have not at any time asserted claims on behalf of my Department at the expense of what the President and Secretary of Defense and the National Security Council believed to be the requirements of national security, and so I would be going, should the Senate confirm me, to the Department of Defense with what I believe to have been a perfectly consistent point of view on this point.

The CHAIRMAN. I don't feel that anything about your nature or your thoughts would restrict in any way your performance of these duties concerning military preparedness and military security.

Secretary RICHARDSON. No; I don't believe so, Mr. Chairman.

The CHAIRMAN. All right. Members of the committee, I am going to yield time. I felt like these questions are partly for each one of us, though, and for the committee and I do want to take the time to ask one more question.

Mr. Secretary, I am gravely concerned about the questions of internal discipline within our military services that are so seriously raised by developments in many quarters. We can give to the Department of Defense, as I said in my opening statement, all the weapons, manpower and money imaginable; but if we lack the proper discipline within those units then they make no real contribution to our security but are a detriment.

I don't base my concern on any one incident. I have not gone overboard in criticism of any one of the services, but I base it on many incidents. A number of former noncommissioned officers have come to me, for instance, having had 18 or 20 years of service, and even though they are out now, expressed the deepest concern about the trends.

Also I have had young men who are now in the service, some who are just boys, 18 and 19 years of age who happened to recognize me on the streets, even beyond my own State, stop and express their concern about the lack of discipline as they saw it in the service that they were serving in then.

In maintaining national security, what are your ideas and what is your attitude as to the necessity of strict military discipline within our services, and how will you help the services solve this problem in this atmosphere of permissiveness of a kind that seems to be running strong throughout the country?

What is your response? This is one of the most difficult things, I think, you and the services will have to face.

Secretary RICHARDSON. Mr. Chairman, I agree that this is a critical problem, and it is my firm belief that discipline is necessarily the fundamental requisite of any military organization. Without good discipline a military force cannot be effective. In addition, I also believe that good morale is dependent upon firm discipline.

On the other hand, it does not seem to me inconsistent with the objective of maintaining firm discipline that we should seek to bring about a better quality of life for our servicemen as part of the objective of achieving an all-volunteer force.

So far as concerns with equality of opportunity have been associated with the subject of discipline, I would only say that it seems to me that the objectives of equality of opportunity and good discipline are not at all in conflict. On the contrary, it seems to me that neither good discipline nor equal opportunity can be attained in the absence of the other. And so I would expect to continue the efforts initiated by Secretary Laird to implement the human goals program of the Department of Defense, and I would recognize that there are human relations problems in the Department which are in a sense the counterparts of the human relations problems that exist in the society at large.

I believe that people in the Department have worked very hard on these problems, both from the civilian side and among the military services. I feel sure that they are committed to the solution of these problems and I would hope to assist in furthering them.

The CHAIRMAN. I am sure you will have an opportunity.

Senator THURMOND, may I call on you now, please.

Senator THURMOND. Thank you, Mr. Chairman.

Mr. Secretary, I want to congratulate you on your appointment as Secretary of Defense. In my opinion, there is no more important position in the entire government than that of Secretary of Defense. Our very survival as a nation, our very existence, depends probably on this position more than any other. In my judgment we have got to remain strong militarily, economically, and spiritually if we are going to survive as a nation.

First, I would like to say since this may be the last opportunity as an appropriate time, that in my judgment the country has not had a sounder Secretary of Defense than Secretary Melvin Laird. He was an able man, a wise man, a dedicated man, and a responsible man. Mr. Secretary, in these Herculean duties which you will soon undertake, I wish you great success, and you may be assured of the cooperation of the members of the Armed Services Committee in this important responsibility.

Mr. Secretary, I have a few questions here. I have received some opposition to your appointment. It has been chiefly on the ground that people are concerned as to whether a person who is a great humanist, for which you have a reputation, can also fulfill competently the duties connected with the military establishment. I have talked to you, I have satisfied myself but, for the record, I would like to propound certain questions here in order that the public may know just how you feel on these issues.

First, Mr. Secretary, the prime issue in this era of negotiation is the maintenance of our relative strength against the Soviet Union. As you know, there is a body of opinion in this country which favors re-

ducing the Nation's military superiority to a point of parity with the Soviet Union.

What are your views on this subject?

Secretary RICHARDSON. My view, Senator Thurmond, is that the U.S. capability should never be reduced below a point that assures the sufficiency of our deterrent strength. I believe that it is imperative that we in any event maintain our technological superiority and, I think, beyond that the questions of relative balance are, of course, the very kind of issues that are currently subject to negotiation in SALT II. They would also enter into the upcoming negotiations on MBFR.

As Secretary of Defense I would undertake to—I would regard it as my responsibility to—do my utmost to assure that no outcome of such negotiations had the effect of undercutting the sufficiency of U.S. deterrent capacity.

Senator THURMOND. In your previous statement I believe to the chairman, you used the words "clear sufficiency." I would assume by the term "clear sufficiency" that you mean a superiority, otherwise it could not be a clear sufficiency to protect this Nation in time of danger.

Secretary RICHARDSON. I think this is essentially correct, Senator Thurmond, taking into account our capabilities as a whole, including our technological capability, and keeping in view the objective of deterring aggression.

Senator THURMOND. Mr. Secretary, in your opinion, do you feel the arms reduction and personnel cuts now underway as a result of our drawback from Vietnam threaten the maintenance of our military superiority over the Soviets?

Secretary RICHARDSON. The question of force levels, Senator, seems to me one of very high priority for us, for those in the Department of Defense as well as for the Congress. There have been reductions in overall numbers in the Armed Forces. My own view is that further reductions should come about only to the extent that this can be accomplished through economies in the utilization of manpower and without reduction of fighting capability. I would expect to pursue the effort to shrink overhead, to reduce support forces in relation to frontline forces, where possible to transfer functions not requiring trained military personnel to civilians, and so on, but it would seem to me, at this stage, that we could not safely reduce our actual Armed Forces' capability.

Senator THURMOND. Under no conditions, I presume, you would favor any type of unilateral disarmament?

Secretary RICHARDSON. Absolutely not; in fact, as you know, Senator, in the Department of State I worked very actively on the question of force levels in Europe. I delivered a speech on that subject in, I think, January 1970 which the majority leader of the Senate considered sufficiently significant to make the subject of detailed response on the Senate floor; and I worked very closely with people in the Department of Defense on the issue of mutual and balanced force reductions because it seemed to me then and seems to me now critical that we not unilaterally reduce our military capability in Europe.

Senator THURMOND. Mr. Secretary, do you feel that general defense cutbacks in the country, coupled with the tremendous escalation of

Soviet arms, could threaten our military status vis-a-vis the Soviets within the next year?

Secretary RICHARDSON. Based on what I know I would not expect that in that short time range this would be a result. But I think we are getting here into difficult and delicate problems of force levels capabilities that I would need to know more about, as we look at the prospect of negotiations and examine the additional steps to be taken to assure that we do not fall behind.

Senator THURMOND. Mr. Secretary, have you been briefed on the Soviet threat such as the committee received yesterday from CIA Director Helms?

Secretary RICHARDSON. I have not had the benefit of a full briefing yet, Senator. I did read—the most complete statement I have been exposed to recently was the statement submitted to the Congress toward the beginning of the year and I have only had partial updating of that so far.

Senator THURMOND. Mr. Secretary, are you at this time in a position to state whether you feel the threat will increase or diminish in the next few years?

Secretary RICHARDSON. This depends, in my view, Senator, to a very considerable extent upon the willingness of the Congress and the people to support the additional weapons system development without which, it seem to me, we would fall behind.

Senator THURMOND. Mr. Secretary, in light of the expected increase in the Soviet threat, do you feel the country can maintain its defense superiority in spite of personnel reductions and budget cutbacks?

Secretary RICHARDSON. I do not believe, Senator, that we can afford in the national security sense personnel reductions and budget cutbacks that cut into military capability. I believe, and hope, that it will be possible to identify further economies in the use of dollars and personnel that will not have the consequence of reducing our military capability. This, of course, is a subject on which I would expect to work very closely with this committee and want to have the committee's advice and judgment as we go forward.

Senator THURMOND. Mr. Secretary, will the Defense budgets during your tenure be driven by the threat or will they be determined by budgetary considerations?

Secretary RICHARDSON. So far as I am concerned, the answers have to depend upon determining first what the threat is or the threats are, then designing force levels, weapons systems, determining upon deployments, and so on, in the light of the requirements of security, and I think this is the only rational basis on which to proceed. It may be that, I think it is a fact that, the question of actual force levels and weapons acquisitions has to be influenced by economic consideration since, as you pointed out in the beginning, the economic strength of the country, after all, is fundamental to its security.

Senator THURMOND. For instance, we have now reduced, and I won't go into all the services, I won't have time, we have now reduced the Army to, I believe, 870,000 which is about the level prior to Vietnam. Now, in view of the threat today, I presume that you would study most carefully all suggestions in every way possible relevant to the situation before recommending any further cutback?

Secretary RICHARDSON. I certainly would.

Senator THURMOND. I believe my time is about up.

Thank you, Mr. Secretary.

The CHAIRMAN. We will come back to you.

Senator Symington?

Senator SYMINGTON. Thank you, Mr. Chairman.

Mr. Secretary, let me say that I respect you as a public servant and a man.

Mr. Chairman, I ask unanimous consent that some questions in preparation for the Secretary be submitted later for the record, also the answers to them, if that is in order.

The CHAIRMAN. Yes, certainly.

Without objection, Senator, it will be so ordered.

(The questions appear on p. 185.)

Senator SYMINGTON. Mr. Secretary, yesterday we had a briefing from the Central Intelligence Agency which has been referred to. I for one was surprised, shocked would be a better word, to find out how close another power is to becoming a superpower from the standpoint of missiles. There is no question that other powers in due course will become superpowers. This to me reduces the practical effect, the significance, of the SALT talks. Nevertheless I think those talks would be a fine start in effort to control this new force which, if we don't control it, will certainly ultimately control us.

Do you agree with the importance of the SALT talks?

Secretary RICHARDSON. Yes, I do, Senator Symington.

Senator SYMINGTON. Thank you.

I had the privilege of talking with you yesterday. In his statement to the House Armed Services Committee yesterday Secretary Laird referred to a subject I said I wanted to discuss with you at this hearing. He said:

As a consequence of the success of the military aspects of Vietnamization the South Vietnamese people today, in my view, are fully capable of providing for their own in-country security against the North Vietnamese. Vietnamization has significantly enhanced the prospect for successful negotiation, but should negotiations fail Vietnamization makes possible the complete termination of American involvement in the war, contingent always on the safe return of American prisoners of war and an accounting for those missing in action throughout Indochina.

Do you share this view?

Secretary RICHARDSON. So far as I am informed, yes. I think that the Vietnamization program has been remarkably successful. And I think that Secretary Laird personally is deserving of great appreciation for his role in the first instance in promoting the concept and then in subsequent stages giving it firm and consistent support.

Senator SYMINGTON. As you know, in the Senate we have had trouble obtaining information about this new so-called carpet bombing of places like Hanoi. Both Dr. Kissinger and the Secretary of State declined to appear before the Foreign Relations Committee. This shows contempt for the constitutional prerogatives of the legislative branch. This hearing on your confirmation gives some of us the first possible opportunity to find out just what has been going on.

"Representative," and I quote from the press of this morning, "Representative Otis Pike of New York reflected the public confusion about the cause of a breakdown of the earlier peace terms and the

issues that still divided Hanoi and Washington. Pike said he could not understand how Kissinger in December could say that an agreement is 99 percent completed if the POW question, obviously a big one, was not resolved."

If the POW issue was a part of the 99 percent, and if the South Vietnamese were able to defend themselves why is it necessary, Mr. Pike asked, to bomb North Vietnam with B-52's, F-111's and lots of other planes that the South Vietnamese will not receive from the United States. Secretary Laird said he would not discuss the negotiation "track" but did say that Mr. Pike's assumption presumably about the POW issue was not correct.

I know of nobody who would like to see this war settled unless, at the same time, the POW issue is settled, but would ask this question: Is it your belief that the continued and possibly increased bombing in the North above the parallel, 20th parallel, especially the bombing of cities like Hanoi, is necessary to obtain the release of American POW's and those missing in action?

Secretary RICHARDSON. Senator Symington, it seems to me impossible to answer that question without getting into what Secretary Laird referred to as the negotiating track. There is an obvious interdependence between the course the negotiations and the military actions that have preceded or accompanied or followed given stages of negotiations.

This committee, as I am sure you know, has been offered the opportunity for a full briefing by Defense Department people on all military aspects of recent operations in Vietnam. The Department has assured me that it stands ready to provide that briefing at any time it would be convenient to the committee, and beyond that it seems to me I cannot go here today without going beyond, first of all, my real level of knowledge and competence and, second, beyond what I think would be appropriate in terms of the interrelationship between the military actions and the negotiating process.

Senator SYMINGTON. As a member of the Cabinet, as one who was once connected with this committee as an assistant to the chairman, and as an American, you know a great deal about the policies of this Government.

Do you believe that continued bombing above the 20th parallel is necessary to the security and prosperity of the United States; and if so, why?

Secretary RICHARDSON. I believe, Senator Symington, that the leadership that the President has given to achieving an honorable peace in Southeast Asia has been wise and conscientious. I am confident that all of his actions have taken into account the sole objective of securing peace on terms that would minimize risks to the preservation of that peace.

My knowledge of the development of policy in the earlier years of this administration, and my opportunity since then to keep in touch with what was being done, have convinced me that we could not have gotten farther sooner in the achievement of a negotiated peace; that the process of Vietnamization has been indispensable to the long-term opportunity for survival of the South Vietnamese people as an independent nation, and that these objectives in turn are integrally related to the long-term fulfillment by the United States of its international responsibilities.

Senator SYMINGTON. My question had to do with bombing above the 20th parallel, especially towns like Hanoi?

Secretary RICHARDSON. As to the latter I could only add one point which is that my understanding is that all of the targetting in the areas of Haiphong and Hanoi has been military targetting. The committee will be given a full accounting of that at such time as it chooses to receive it, and beyond that I can only repeat what I have said that I have full confidence in and I support the President's objectives and I think that the question of means, and the judgment that has been exercised on the choice of means, is so integrally related to the problems of negotiating process that I cannot appropriately comment further.

Senator SYMINGTON. Thank you.

Mr. Chairman, I have no further questions.

The CHAIRMAN. Thank you, very much, Senator.

As to the Senator's request for questions to be added to the record for answering, I am sure the Secretary understands that and the chair is delighted to do it. Let me say both to him and to others, let's get those in sometime fairly soon so the Secretary will have them and we can get them back into the record.

Secretary RICHARDSON. I would be very glad to furnish the answers promptly, Senator Symington.

The CHAIRMAN. Senator Tower.

Senator TOWER. Mr. Chairman, I shall not detain the committee with extensive questioning. I think the questions I would have posed have already been posed and have been satisfactorily answered from my point of view by the Secretary.

I believe that he is an extremely able man, and a man of great intellectual honesty as well as a man of great brilliance, and I shall certainly be pleased to support his confirmation.

The CHAIRMAN. Thank you, Senator.

Secretary RICHARDSON. Thank you very much, Senator Tower.

The CHAIRMAN. Senator Byrd.

Senator BYRD. Thank you, Mr. Chairman.

(At this point a woman in the audience arose and started to address the committee.)

The CHAIRMAN. The idea is that you can't hear in the rear, is that it?

(The woman continued to address the committee.)

The CHAIRMAN. You will help us out now by being quiet for the time being, and if you want a seat closer the officer will provide you one. But if you are not quiet we will be compelled to ask you to excuse yourself from the room. We will proceed.

(At this point the woman was requested to leave by the officers in the committee room.)

The CHAIRMAN. We will ask you back later. Thank you for coming this morning.

I am sorry about the interruption. Let us please have quiet. That was enough entertainment for a while. All right, Senator.

Senator BYRD. Thank you, Mr. Chairman.

Mr. Secretary, you have had a very distinguished career and I would like this morning to try to develop a little bit of your general philosophy which I must say I am not too familiar with.

In reading, first in reading, your biography, a very impressive one, I might say, I note that you were a director of the Salzburg Seminar on American Studies. Would you give the committee a little information as to what the Salzburg Seminar on American Studies is, where it is located, and so forth.

Secretary RICHARDSON. I would be very glad to, Senator Byrd.

The Salzburg Seminar on American Studies was founded very shortly after World War II by young men concerned that although the United States would foreseeably have a major role in Western Europe in the future, there was very little understanding of or knowledge about the United States in Western Europe. Very few courses were taught on American civilization or history or literature in European universities. So the seminar was conceived of as a means whereby American teachers, American labor leaders, American public servants could come to one place in Europe, where students, young civil servants, judges or others engaged in important activities in Western European countries could come and take courses from the American faculty. It was started as a summertime only project, and expanded over the years so that it would conduct sessions several times during the year. It is ordinarily a session on American law, sometimes on American business or American labor relations, or the American novel, for instance.

I believe it has been over the years a very effective force for creating better understanding by Europeans of the United States. It has now had thousands of participants who have gone back to positions of comparative significance in their communities. A lot of people, distinguished Americans, have served as faculty members, Secretary Acheson after his State Department service, many others from business and from American university faculties.

Senator BYRD. How is it funded, Mr. Secretary?

Secretary RICHARDSON. It is funded partly by individual contributions, relatively small amounts, partly by corporate contributions, and to a large extent by foundation grants principally Rockefeller, Ford, and the Commonwealth Fund. It has also received some money, I don't know whether it is getting any now, from the State Department funds for the support of U.S. educational and cultural activities abroad.

Senator BYRD. Could you supply for the record a little additional detail as to what governments of what other countries participated in those seminars?

Secretary RICHARDSON. No other government. It is strictly a private organization, a U.S. charitable corporation. It is—I didn't answer your question of where it is located. It is called the Salzburg Seminar because it occupies an old schloss in Salzburg, has from the beginning. It has a small European staff, but it has no participation by other governments.

Senator BYRD. I was interested because neither the Library of Congress nor the Austrian Embassy was able to identify it.

To another question—

Secretary RICHARDSON. I am surprised the Austrian Embassy was not able to identify it. The Chancellor of Austria participated in the 25th anniversary of the founding this year.

Senator BYRD. Mr. Secretary, we have been spending about \$77 billion to defend this country militarily. The indications are that in the new budget the requests will be for \$80-plus billion. In your judgment which country or countries represent the greatest potential threat to the United States requiring the expenditure of \$80 billion for defense?

Secretary RICHARDSON. Clearly the Soviet Union in terms of its own military capabilities and its constant buildup of its military strength. The situations in which tension continues are all elements that have influenced the need for adequate U.S. forces. Other countries are to a degree also increasing their military capability, notably the Peoples Republic of China. This is not, of course, to say that because the Soviet military strength is so great and its continuing to grow that there is a threat of imminent danger to the United States. It is to say that for the United States not to maintain military capability that is sufficient to deter aggression on the part of any other country would be imprudent on our part. It would be to accept a degree of risk to our national security that would seem to me unconscionable.

Senator BYRD. But you identify the Soviet Union as the potential threat?

Secretary RICHARDSON. Principally, yes.

Senator BYRD. You mentioned in your colloquy with, I believe, Senator Symington, that you had made a speech in 1970 of some significance. I wonder if your office could have a copy of that speech delivered to my office so that I might look it over but before tomorrow's meeting?

Secretary RICHARDSON. I would be very glad to do that, Senator.

Senator BYRD. Thank you.

Before I forget it, also in your discussion with Senator Symington you said the Defense Department had offered to give to the committee a full accounting of the recent bombing. I am wondering why that cannot be given, not just to the committee but to the public. The public is intensely interested in this matter.

Secretary RICHARDSON. That is a question I would have to discuss with those who are now in the Defense Department, Senator Byrd. Obviously, Secretary Laird in the first instance, and his associates would have to answer that question.

Senator BYRD. It has been asserted by some that the use of ground troops in Vietnam was a grave error of judgment. Do you agree or disagree with that assessment?

Secretary RICHARDSON. I have never attempted, Senator Byrd, to review in sufficient detail the whole history of the gradually increasing involvement of the United States in South Vietnam to be able to make a competent judgment on that score. The problem, of course, is that we look back on those decisions with the benefit of hindsight.

In my view there was a genuine interest of the United States at stake in Southeast Asia, and the question then of what should have been the form of U.S. support for the Government of South Vietnam, whether it should have included ground troops, and so on, is, I think, a highly difficult issue, and I would have had to do much more than I have ever had the opportunity to do to reach a clear judgment about it.

When I first became deeply involved in the problems of Vietnam we were already carrying out the declared objective of President Nixon

to disengage from South Vietnam on a basis that would assure, so far as reasonably possible, the survival of South Vietnam as an independent country and, if possible, the negotiation of peace on honorable terms. And so my own really thorough understanding of the situation these dates, for all practical purposes, only from the beginning of this administration.

Senator BYRD. But it goes a little beyond, it seems to me, just a question of your detailed information. It goes to the question of whether, in your judgment, and after all, as Secretary of Defense the judgment of the Secretary of Defense is going to determine whether this country gets into difficulties or doesn't get into difficulties, and I think the whole country ought to know whether in your judgment the use of ground troops in Vietnam was an error in judgment or whether it was desirable and appropriate.

Secretary RICHARDSON. If you are asking me, Senator Byrd, what I believe to be appropriate U.S. policy with respect to hostilities between Southeast Asian countries, one of which is a country with which we are allied or which we support, my answer would be an answer in terms of the Nixon Doctrine. The President has made very clear, in his statement initially at Guam, and in subsequent statements, that he does not believe that we should use U.S. ground forces in that kind of situation. We should, rather, support the development of the indigenous capability of such countries to protect themselves against aggression by a neighbor; that the U.S. role should be restricted to military material, to economic assistance and, of course, to economic support. We should involve U.S. forces only in a situation where the aggression itself might have involved a major power.

Senator BYRD. The United States has been involved in combat operations in Indochina for nearly 10 years. We are still involved. In your judgment, has this long U.S. involvement in Vietnam, utilizing 21½ million American troops and hundreds of billions of dollars, been beneficial to the Soviet Union?

Secretary RICHARDSON. In my judgment, no.

Senator BYRD. Your judgment is that U.S. involvement in Vietnam over 10 years, the expenditure of hundreds of billions of dollars, the use of 21½ million American troops, 50,000 casualties, deaths, 300,000 wounded, that that has not been advantageous to the Soviet Union?

Secretary RICHARDSON. That is correct.

Senator BYRD. Do you favor the United States sending troops, did you favor the United States sending troops, into Cambodia April 30, 1970?

Secretary RICHARDSON. Yes. I did.

The CHAIRMAN. Senator, I hate to interrupt, but your time has expired.

Senator BYRD. Oh, yes, I appreciate the chairman calling that to my attention.

The CHAIRMAN. Thank you, Senator. I feel, gentlemen, that there will be an additional sitting of the committee on this nomination in view of the fact that we cannot come back this afternoon.

Copies of certain questions that I have, have already been given to the press. I have not had an opportunity to ask them all and if we do

not get back to me, I will ask them at some other point in these hearings.

Senator Goldwater.

Senator GOLDWATER. Mr. Chairman, I only want to ask one question and make a comment and I will be brief. The question has been prompted by what is becoming evident, there is general misunderstanding of the direction the command flows.

Questions have repeatedly been asked of you and have been asked of others about your sending decisions up to the President. As I understand the chain of command, the Commander in Chief is the President and the Commander in Chief sends his demands down to you, it doesn't go the other way, is that correct?

Secretary RICHARDSON. That is correct, Senator. Of course, if I had a recommendation that involved an operational matter that in itself required Presidential decision obviously I would submit that recommendation to the President, and then the order or the decision would be made by him.

Senator GOLDWATER. Just some comments: I think in assuming this job that you have some major problems. I had hoped that Secretary Laird would have been able to overcome all of them. He was not. Why, I don't know.

In 1947 we passed legislation which we hoped would bring unanimity into the military services, the four services. I think it is obvious today that the unanimity has not been achieved, and what I call interservice politics that start at the Joint Chiefs level and come down through that chain of command to the politicians in the Congress are probably as bad today as they have ever been. This makes it very, very difficult for this committee to act.

I have witnessed several times when this committee acted, in my opinion, in a wise way, only to have the decision here overturned in the House because of the pressure that was able to be placed on the Members of the House by Members of the Congress who had served in this or the other service, initiated to some extent by the members of the Joint Chiefs.

I think the major problem that you face is overcoming this and, frankly, what it is going to take to overcome it is toughness at the top, and you are in a position, in my opinion, to use that toughness.

Let me give you two specific examples that stem, in my opinion, partly from interservice rivalry or interservice politics and partly from the overabundance of disorganization that the Pentagon has.

The first one, one that we are most vitally concerned with, is procurement and along with that cost. The biggest task we have in these committees is to determine what new weapons are needed by the services, and then to be able to convince our brethren on the floor that the cost of these weapons can be justified. Frankly, I speak as one who has been a strong supporter of the military all of my life, but I am reaching the point where I can't find it in my good judgment to say that \$19 million has been justified for one fighter plane or \$13 million for one fighter plane or \$800,000 for one tank or \$2 billion for one aircraft carrier.

Now part of this cost problem is inflation that you have nothing to do with. It was created largely, in my opinion, by the improper actions

of the Congress. But I think that you can, by bringing to bear on the Joint Chiefs and the services, the necessity of complete review of new equipment you can, I believe, effect lower costs. I am thinking of the highly sophisticated black box systems that you have had related to you by the chairman, that witnesses tell us are questionable in actual use. I see in here the opportunity for you to really do some head beating, if that is the term, to get the military to look at less expensive equipment that will do the job as well or better.

Then, we have the problem of procurement, and while we did hold hearings last year, I don't believe those hearings have even begun. I think we would have to continue those. Procurement processes in the Pentagon to me are antiquated. The Soviets are using the old capitalistic system of procurement and we are using the old socialist system of procurement, and it is taking us 7 years to get a weapon into the inventory, it takes them about 3 to 3½ years. I would hope through you and Mr. Clements, who has had great experience in this field, that we could begin an immediate improvement in the whole procurement processes of the Pentagon.

And my second example is one that I know won't come as any great surprise to my colleagues, but back in 1950 the roles and missions of close air support were given to the Air Force. We now have all services providing close air support. We have four tactical air forces. I am not asking your opinion of it today, because you and I have talked about it, but I will ask you at some future date to come up with an opinion as to whether we need a tactical air force for the Navy, Army, Marines, and the Air Force. Our last figures show a total inventory cost of around \$13 billion and I think a total inventory cost that would do just as good a job could be had for under \$5 billion.

I just offer this as an example of a decision that Mr. Laird would not make and that one decision would have been the most advantageous achievement to his career, in my opinion, and it was not made, in my opinion, mostly because of the politics of the Joint Chiefs and the involved politics of the Members of Congress.

I have no questions, Mr. Chairman. I have great respect for this gentleman, and I am going to vote for him.

The CHAIRMAN. All right.

Senator Hughes.

Senator HUGHES. Mr. Chairman, and members of the committee and Mr. Secretary, I am again pleased to have the opportunity to briefly ask questions this morning. Before I do I wish to express to the Chair and members of the committee my support for the action taken when a lone voice spoke up in this room crying out for peace and expressing the agony of conscience that has plagued the heart of millions of Americans, but I want also to call to the attention of the chairman and to the new Secretary of Defense that the conscience of this Nation has reached the breaking point, and that a voice crying alone today will be expressed by the millions in the future unless some rational decisions are reached in the future and in the control of irrational power is achieved.

I support Senator Symington's inquiry and Senator Byrd's.

Secretary Laird last year said that there have been no major studies of the effectiveness of air interdiction bombing since 1967. And the

Defense Department has repeatedly said it makes no estimate of civilian casualties resulting from our military activities.

Mr. Secretary, will you conduct such studies and inform the Congress of the findings?

Secretary RICHARDSON. I certainly will want to find out what has been the examination of the effectiveness of interdiction, and I will certainly want to learn more about the impact of air action on civilian casualties.

I think the question of exactly what studies and what we should provide to the committee, is a question that could more appropriately be explored specifically at such time as I have been confirmed and have taken office.

Senator HUGHES. Mr. Secretary, as I interpreted the Senator from Missouri's question relative to the security and well-being of our Nation and bombing the North above the 20th parallel has not been answered. My interpretation of your reply would be that you will not answer it this morning in a direct fashion. Am I correct in interpreting that?

Secretary RICHARDSON. I think it is fair to say that you are correct, Senator Hughes. I don't want to be regarded as unresponsive in the sense that I have not given you as good an answer as I feel I can give you in the circumstances. I don't believe that I can give you a better answer without, as I said, involving the whole issue of the interrelationship between military action and the negotiating process.

I expressed to Senator Symington my confidence in and my belief in the integrity of the course the President has followed in pursuing the objective of peace.

Senator HUGHES. I think that—

Secretary RICHARDSON. The judgment that was involved here is one that, as I said, I neither know enough about to be able to answer the question adequately nor do I believe that even if I knew more that I could appropriately do so here without potentially jeopardizing the negotiating process.

Senator HUGHES. Mr. Secretary, I proposed legislation requiring the declassification of certain information on U.S. military activities in Indochina. Do you believe the American people have the right to know the monthly figures on U.S. air sorties, the bomb tonnages that are dropped, and the casualties for each separate country of Southeast Asia? Now certainly the people of those countries know what is happening to them. The people of North Vietnam know what happened in Hanoi and Haiphong. The embassies of the other nations of the world have informed their own people what we have been doing there but we, the American people, have no information relative to what we have been doing there.

Do you believe we have the right to know?

Secretary RICHARDSON. In general, Senator Hughes, I certainly do believe in the right to know. I believe that the American people should be kept as fully informed as possible.

As I said earlier in answer to a question by the chairman, I believe that our ability to obtain public support for needed levels of military expenditure is going to depend upon public understanding and knowledge.

This committee has had available to it pretty much as it required it information about what we have been doing and I am not in a good enough position at the moment to know what are the considerations that have been behind any restriction on publication of information to be able to say that as Secretary of Defense I would make more available than has been made available.

This committee itself has seen where the line is drawn, and I, if it has not been given out there must be some reasons for it that I don't fully know but would want to know more about it.

Senator HUGHES. There are reasons why I certainly would like to know more about why we, the American people, can't know what our enemy knows in relationship to our bombing, and I for the life of me fail to understand why we cannot be informed. It is almost beyond me to conceive why every nation on earth has available information but the American people.

I want the briefing in committee, and I have asked the chairman for it. He has assured me that once we get to the point of getting a Secretary of Defense and other people we are going to get on with the business of finding out. But I certainly endorse Senator Byrd's request of at least informing this committee what there is in national defense and security that requires the American people not to know the truth about what we are doing.

The CHAIRMAN. If the Senator will yield to me right there, let me make it clear that the chairman hasn't had any information, and I assume no member of our committee has had information, about the resumption of the bombing or the extent of the damage.

Senator HUGHES. The use of massive bombing by B-52's in North Vietnam is, in the opinion of this Senator, a radical departure from any other military offense we have used in the past and, as a result of that, I think the information is keenly important to this committee. We spent a half billion dollars over a period of 3 weeks apparently, we are back to the negotiating tables, and if we happen to leave those tables without a signed agreement, in some period during the next 2 or 3 weeks, I want to know what the next step is going to be and I want to know whether the ratchet is going to go one-half turn further and, if so, what that could be expected to be. And I think not only do we have that right, but the American people have the right to know, in the viewpoint of one Senator.

Mr. Secretary, as you know, I have been quite upset by the way the Defense Department refused, in my opinion, a thorough handling of the case of General Lavelle. It involved the issues that I think went deep. I was very interested in your response to the question of discipline and your response was directed primarily to the enlisted men, as I got it, in the military services.

The application of discipline from general officers on down through the command structure, in my opinion, is equally important. We had a clear-cut case in which I think the evidence was brought before this committee, and the committee reflected it in its voting, of the violation of direct orders of the President of the United States, of the Secretary of Defense, falsifying and concealing records and giving false information to the command structure itself, and yet to this day there has been little more than a wrist slapping application of discipline applied

to one man and none whatsoever to any other personnel involved in the entire structure.

My question, Mr. Secretary, is do you intend to let this matter lie as closed or do you intend to open it up so that again we can apply what would seem fair and equal discipline all down the ranks of the military structure?

Secretary RICHARDSON. First, Senator Hughes, let me say that I certainly believe in the application of fair and equal discipline all down the line in the military structure, and nothing I said earlier with respect to military discipline was intended in any way to be restricted in its application to enlisted personnel. On the contrary.

As to the Lavelle case itself, I would certainly want to review the report and conclusions of this committee, the report and conclusions of the House committee, and then reach a decision about whether or not I believed that any useful purpose would be served by my reopening it. The matter, of course, has had a great deal of consideration, not only on the part of this committee but on the part of Secretary Laird and his associates, and there does come a time in most situations when there may be wisdom in letting it alone. So I cannot promise to reopen it. I can only promise to look at it from the point of view of whether or not, in my judgment, any further action should be taken.

Senator HUGHES. Mr. Secretary, I appreciate your promise of looking at it and reviewing the situation. I have communicated to you privately my own intention, so there is no reason to further pursue this today.

I would like to ask a question relating to the F-14, if I might, if that has not already been asked, Mr. Chairman.

The CHAIRMAN. No; it has not been. We will allow you additional time at this point.

Senator HUGHES. The Grumman Corp. has told the Navy that it will not proceed under its contract to develop the F-14 aircraft. I would like to know what your reaction to the Grumman statement is.

Secretary RICHARDSON. The question of where we go from here I know is under very intensive negotiation. The only general statement I can make is that I believe that it is essential to the integrity of the procurement process from this point forward that the Department of Defense take a posture which, in effect, insists upon the sanctity of contracts. Where a contract is voluntarily entered into it seems to me that the Government has the right to insist upon the fulfillment of its terms.

I do not believe that we should pursue a policy of bail-outs even though the acquisition of a given weapons system may be important, and I am sure that these general principles do underly the approach being taken right this minute to the negotiating process, and I would want to make sure that the same approach continues if I do succeed Mr. Laird.

Senator HUGHES. Mr. Chairman, has my time expired?

The CHAIRMAN. Yes; it has run over some, Senator, and I am sorry.

Senator HUGHES. Are we going to reconvene with this same witness?

The CHAIRMAN. Yes; we will have to ask Mr. Richardson to come back since we cannot have an afternoon session.

Senator HUGHES. Thank you, sir.

The CHAIRMAN. Let me say, allusion has been made to the young lady that interrupted and was asked to come back. She sent word she wanted to come back to make a statement and the Chair has just sent word we could not hear the Secretary and hear her at the same time. So I make that statement, I don't know how the matter will be handled, that is all I know about it.

Senator Schweiker.

Senator SCHWEIKER. Thank you very much, Mr. Chairman.

First, Mr. Secretary, I would like to say you have come before the committee with a fine record of public service, and in my other committee work I worked very closely with you in your responsibility as Secretary of HEW, so I believe you certainly have the qualifications, the background in public service for this job and I will certainly support your nomination.

I would like to ask, Mr. Secretary, what plans you have in mind at this point in terms of achieving the all-volunteer force that President Nixon has started and also what is your personal feeling about it at this point in time?

Secretary RICHARDSON. Thank you, first of all, Senator Schweiker, for your preliminary remarks.

On the all-volunteer force, I do believe in it as an objective. It seems to me that the problems of inequity that have arisen in the administration of the selective service process are problems that really cannot be overcome except by seeking to avoid reliance on the draft in a peacetime situation.

I have no new or original ideas at this point about how to pursue the objective of an all-volunteer force. I am aware generally of the legislative proposals that will be coming before your committee in the weeks and months ahead, and I will certainly want to work very closely with the committee as it considers them.

The questions of just what additional incentives are needed in order not only to attract quality personnel into the regular forces but what incentives are needed to assure strong and adequate National Guard and National Reserve Forces, I think, are among the most important problems that we have.

Senator SCHWEIKER. Would you care to comment on the need for the Uniformed Services Pay Act or is that something you want to reserve for later?

Secretary RICHARDSON. This is, of course, one of the principal pieces of legislation that I was referring to. I am sure that the committee will be asked to act on it, and I trust that it is among the early subjects of consideration by the committee.

I only know that in the judgment of those who have been working on this problem that the incentives that are provided for in that legislation are believed essential to the ability to achieve the objective of an all-volunteer force.

Senator SCHWEIKER. Mr. Secretary, one of the broader questions that has come up before this committee a number of times, I think Senator Hughes touched on it has to do with the chain of command. Our committee has held hearings on three specific instances where the chain of command fell apart in terms of information flow. I am

referring specifically to the *Pueblo* incident where there were critical times when the information as to where the ship was and what the situation was, was not back in the hands of the Commander in Chief and the people who had to make decisions at a critical time.

In the *Calley* case, of course, the adverse information didn't come up the chain of command until well after the event.

In the *Lavelle* case it didn't even get one step up the chain of command to the top men in the field.

It seems to me we have had three cases where adverse information just doesn't go up the chain of command. I think it is a serious flaw in the chain of command. Information goes from the top down like "greased lightning" but information moving up the chain of command is slow and unreliable. I wonder if you have further thoughts on the subject, because I am concerned that the military structure of the chain of command just does not permit adverse information to move up the chain of command at very critical points and at very critical times. This isn't by way of asking you now, since you are new at the job, but I hope you personally will give some time and attention to study how we can improve the flow of adverse information from the bottom up in the chain of command so that these three cases I have cited won't be repeated.

Secretary RICHARDSON. I can assure you, Senator, that this will be a subject of early and continuing attention. It is obviously important in many respects and it involves not only communications problems and responsibility, but second, it involves the circumstances of the disciplinary structure to the extent there has to be responsiveness in both directions: by subordinate units to the orders that they receive and by superior units to the information they have.

Senator SCHWEIKER. That is all I have, Mr. Chairman.

The CHAIRMAN. Thank you very much, Senator.

Members of the committee, just a moment here for inventory of our time. There will be time for Senator Nunn and time for Senator Saxbe. It is apparent, though, we will have to have another sitting of the committee. When we do recess, I hope it is agreeable that we will recess until tomorrow morning at 10 o'clock in this same room for an open session still with Mr. Richardson. Mr. Clements' nomination, of course, cannot be taken up until we finish Mr. Richardson, but it will be taken up as soon as possible or we will say tomorrow afternoon provided we can have a meeting and have finished with Mr. Richardson.

The minority has a caucus beginning at 12:30, so we will stop before that time.

All right, Senator Nunn.

Senator NUNN. Mr. Chairman, in the interests of time I will waive any questions at this time with the reservation of asking some tomorrow.

The CHAIRMAN. That is a fine gesture.

Senator NUNN. Also being aware I am a freshman, Mr. Chairman.

The CHAIRMAN. That is all right. You are entitled to such time as you need, and that is fine. Thank you very much.

Senator Saxbe.

Senator SAXBE. Mr. Secretary, Mr. Chairman, I join with the members of the committee in welcoming Secretary Richardson. We served

as attorneys general together in our respective States and I have long admired his dedication and his ability.

I do want to set one thing straight that I think the chairman referred to and that is this question of our briefing. I have had no notice of any briefing available to us since we have been back here. We had briefings last year on a regular basis and I attended most of them. But if there were any notices from the Defense Department that they were to brief us it has never come to my knowledge.

The CHAIRMAN. We have had none except from the CIA, Senator Saxbe.

Senator SAXBE. Yes, sir; I was there for yesterday's briefing.

The CHAIRMAN. Yes.

Senator SAXBE. Another thing, time is running out, and I know we will all have another chance, but I would like to call to your attention something which disturbs me, and that is this realization that your explanation to Senator Symington, your explanation to Senator Byrd were explanations that you were the agent of the President serving as Secretary of Defense and that you could not compromise the situation by stating your personal opinion and philosophy as to bombing, target bombing, and so on.

You also stated that your level of knowledge at this stage of the Department of Defense activity was not such that you could with complete assurance answer some of these questions. That is quite true. But you also said that you expected to have a definite input and that you would make recommendations on decisions, and I think this is as it should be, and I certainly would expect a man of your background and experience to make that recommendation, and that is why I do think that when we are as a committee selecting a secretary, or not selecting but rather approving a secretary, that we know something about him, how you do feel.

I had occasion to be on a panel with a leader in the House the other day, and I asked, he supported the bombing in the North without reservation so I asked him, perhaps an unfair question, but "Would there be anything that the President did that you wouldn't support," and he said, "Yes, dropping the bomb."

I don't want to put you in that position, I don't think you should be, but I do think that in this present situation where most of us are straining to get an understanding of what is going on in the North, the reason for the bombing, what we expect to achieve by it, that we know the man who is perhaps going to order that bombing, how he feels about it, and I am not going to ask you to answer that today but I am going to raise it again when we come back tomorrow.

There are things I do want to raise. First on procurement: We have had the sorry spectacle of two people who have complained about procurement procedures and wastefulness in the Government being summarily dismissed or attempted to be dismissed. I think this is regrettable. What is your attitude on this?

Secretary RICHARDSON. May I just say, first, before coming to that question, Senator Saxbe, that as to the offer of a briefing for the committee, I believe that this was an offer made to the committee to be availed of at its own convenience after it was organized and had resumed activities in this Congress. And I was simply alluding to the

fact that this is available to the committee at any time, and would cover in full the recent military activities in Vietnam and Southeast Asia generally.

On the matter of procurement and the individuals you referred to, I certainly believe in several general propositions. One I referred to already, is the matter of availability of candid testimony and competent testimony by Defense Department witnesses to this and other congressional committees. Second, I believe that people in the Department should be encouraged to state their own views within the Department on matters of judgment and policy, that they should be given the general feeling that they can do so, say what they really think, without personal risk to themselves; and third, I believe that we have got to look at the whole procurement process from a perspective that recognizes points made here today, that there is a collision point between increasing costs and weapons system capabilities, that it is going to force something to give at least with respect to some portions of our total capability.

On the individuals I really can't comment because I don't have information about exactly what was said. There are also always in such situations—or often—other aspects than those that happen to have surfaced before a committee. In the case specifically of the most recent individual, Gordon Rule, I am told the matter is now before the Civil Service Commission, and I am sure that the commission will want to go into all aspects of it.

Senator SAXBE. I understand that, and my concern is like Senator Goldwater's. You have had tremendous experience with bureaucracy, but the interservice rivalry and the built-in service competition and protective association is a very formidable thing that you are going to have to work with. I am sure that you are very much aware of this. And the ability to cut through this inner working system that has been built up over so many years is going to be terrific, especially in procurement.

I have spoken to the chairman about one of the things that resulted from the Lavelle hearing, and that I am sure is going to be of concern to you and I hope of our committee and that is the practice that was exposed of a general approaching retirement who takes a disability retirement, and the figures are so astounding when you compare the generals who ride the sick book as compared to the enlisted men that we are selecting obviously a very unhealthy group of generals or their life is so strenuous that we should look into this.

We found, for instance, that General Lavelle passed a flying physical, in other words, qualifying him for flying, I think less than 3 months before he was retired with a 60 percent disability.

I know all of us get old and we all have problems but generally we are not dealing with sympathetic doctors, usually under our command, who can give us this.

To me this is another example that has to be cleared up if we are going to get rid of this view that the services have gained. You are aware of these, are you not, as a problem?

Secretary RICHARDSON. I am aware of the problem and I agree with your point, and it is the kind of thing which has to be cleared up if we are to gain the kind of confidence in the military services that is absolutely indispensable to public support.

Senator SAXBE. Mr. Chairman, I will withhold my other questions. The CHAIRMAN. All right, Senator. Thank you very much.

Members of the committee, there is a question about a briefing for the committee which has been brought up and I'll give you a brief report now as to what happened. I don't see anyone at fault. I got back here late last Tuesday, January 2, and either that afternoon or the first thing Wednesday morning I asked Mr. Braswell, our Chief Counsel, to see about a briefing from the military and from the CIA to be held last week. Perhaps that is what Mr. Richardson is referring to. The response was that Admiral Moorer would brief us on the military situation in Vietnam, but that he was not available, and I said, "Well, we can't wait." We put General Pauly down and had tentatively set both hearings for Friday. As it turned out the majority was in, conferences were held, and the Senate was in recess on Friday. I just thought the attendance would be so reduced not only Friday but Saturday, too, and it had to go over. So we carried the CIA briefing yesterday but could not use the afternoon because of another conference, a caucus of the minority. We had already set these hearings for this morning, and the afternoon is not available because of another caucus which is important. We had the CIA briefing yesterday though and I am ready and expect to hear Admiral Moorer, if he still wants to testify, or someone else, just as soon as we can get it in. It has been my purpose all the time and we will get to it.

Is there any other thing to come before the committee now?

Senator BYRD. Mr. Chairman, I have another question.

The CHAIRMAN. Yes, but I believe we will have to take a recess now under the circumstances; the caucus starts shortly.

Mr. Richardson, will you be available tomorrow morning at 10 o'clock?

Secretary RICHARDSON. Yes, Mr. Chairman, I would be glad to be here.

The CHAIRMAN. We will proceed right on with additional questions. If we have to go into a closed session we will follow tomorrow's hearing with an executive session. So with the thanks of the committee, and I thank the membership too, we will recess now until tomorrow morning at 10 o'clock.

Secretary RICHARDSON. Thank you, Mr. Chairman.

(Whereupon, at 12:05 p.m., the committee was adjourned, to reconvene at 10 a.m., Wednesday, January 10, 1973.)

NOMINATION OF ELLIOT L. RICHARDSON, TO BE SECRETARY OF DEFENSE

WEDNESDAY, JANUARY 10, 1973

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C.

The committee met, pursuant to recess, at 10:05 a.m., in room 318, Richard B. Russell Building, Hon. John C. Stennis, chairman.

Present: Senators Stennis (presiding), Symington, Byrd, Jr., of Virginia, Hughes, Nunn, Thurmond, Tower, Goldwater, and Saxbe.

Also present: T. Edward Braswell, Jr., chief counsel and staff director; John T. Ticer, chief clerk; R. James Woolsey, general counsel; Nancy J. Bearg, research assistant; Doris E. Connor, Dorothy Patis, clerical assistants; George H. Foster, Jr., LaBre R. Garcia, John A. Goldsmith, Don L. Lynch, professional staff members; Ben J. Gilleas, director of investigations, Preparedness Investigating Subcommittee, and Edward B. Kenney, professional staff member, Preparedness Investigating Subcommittee.

The CHAIRMAN. Our committee will please come to order. We continue our hearings this morning on the nomination of Hon. Elliot L. Richardson, now Secretary of HEW, having been nominated for the Secretary of Defense.

We will pursue the open portion of these hearings until they are conclude, and then we will begin with open hearings on the nomination of Mr. Clements for Deputy Secretary of Defense. Then we will doubtless have closed hearings, maybe not extensively, as to each one of them. The Chair notes that there is going to be a caucus of the Democratic majority of the Senate tomorrow morning, so we could hardly have a meeting then. If it is agreeable with the committee, we will have a meeting this afternoon, if necessary, and then we will be finished with these two gentlemen. We will hear Mr. Schlesinger on Friday, if that is agreeable with the committee.

There is no great rush about these matters, but it does take time to complete the record and get the hearings printed, so we will resume our hearings now.

These photographers wanted special indulgence; instead of the 2 minutes, which I ordinarily stretch, they want me to stretch that 2 minutes to 5 minutes, and I suppose we will do it.

I am going to call on the Senator from Georgia, a valued and new member of our committee. Yesterday when we recessed we were down to him, so I will call on him now for any questions that he might have. Senator Nunn.

Senator NUNN. Thank you, Mr. Chairman.

Mr. Richardson, I join with my colleagues in welcoming you before the committee and I have, of course, not observed first hand your fine record but I have heard about it and I am delighted to have a chance to discuss it with you.

I also want to express my appreciation to you for coming by the office to see me the other day and the lack of our being able to meet was entirely my fault and I appreciate your courtesy on that.

I was, of course, pleased to see the testimony of Secretary Laird before the House Armed Services Committee in which he says in his opinion that Vietnamization, as defined by the administration, is complete, and that regardless of the outcome of the negotiations now that, militarily speaking, we are in position to terminate our presence in Vietnam, as I understand it, of course, based always on the contingency of returning POW's and accounting for those missing in action.

Based on your knowledge, does that also appear to be the case to you, do you agree with that testimony?

STATEMENT OF HON. ELLIOT L. RICHARDSON, NOMINEE TO BE SECRETARY OF DEFENSE (Resumed)

Secretary RICHARDSON. Yes, I do, Senator Nunn. I obviously have a less firm base of information for that conclusion than Secretary Laird does, but all I do know certainly confirms it.

Senator NUNN. May I pursue that for just a moment, Mr. Chairman? Being, of course, a new Member and not considering myself either a hawk or a dove at the moment what I am having difficulty with is distinguishing between this position and the position being taken by the people who want to cut off funds, based again on the safe return of POW's and missing in action. It seems to me that these two positions are entirely consistent, and I am puzzled particularly with what the great disagreement is at this point. It seems everyone is saying the same thing or am I under a misconception there?

Secretary RICHARDSON. I think what is involved in part, Senator Nunn, is the concern on the part of the President and those who are charged by him with the responsibility for the negotiating process, that congressional action establishing a cutoff of funds under any specified conditions could be interpreted in effect, as undercutting the negotiating position and inducing the other side to hold out for terms that they might not otherwise seek. What we are dealing with here is essentially a process that by its very nature requires a direct day-to-day confrontation of the negotiators representing each side, and an action by the Congress dealing with support of military action by the United States becomes an extraneous factor in that equation, and it could distort it. I think this is the executive branch concern.

Senator NUNN. It seems to me that either our position is Vietnamization is complete, and that, therefore, all that is required is the return of our prisoners and accounting for our missing, or that is not the case and there are other considerations that we are basing negotiations on. It just seems to me it is clearly one way or the other. There must be other things that we are concerned about otherwise we would not be, it would seem to me at any odds at all.

Secretary RICHARDSON. We clearly have other negotiating objectives. It has been clear from the beginning of this administration that we were pursuing two courses which although mutually reinforcing, were quite distinguishable. One was the Vietnamization course and the other was the negotiating course.

If we are forced to rely solely on the achievement of the successful outcome of the Vietnamization process we would, in effect, be turning over military responsibility for the continuation of a war to the Armed Forces of South Vietnam, subject only to the return of our prisoners of war and an accounting for the missing in action. But there would remain threats to the Governments of Laos and Cambodia, there would be continued killing, and there would be a situation in Southeast Asia that continued to represent a potential threat of escalation into more general hostilities.

We have, therefore, continued and are pursuing now the negotiating course also with the objective not only of disengagement of U.S. forces and return of U.S. prisoners and accounting for missing in action, but the achievement of a cease-fire which would bring about a cessation of killing, and extending that cease-fire into Laos and Cambodia, and thereby laying foundations for stability and peace in the entire area.

We would hope thereby also to create conditions leading toward an internationally supervised election in which, as the President has offered repeatedly, there would be Vietcong participation, and also would contribute to stabilization of the internal situation in South Vietnam rather than the prolonged fighting, unrest, assassinations that have occurred ever since the Communists first undertook to overturn the Geneva Accords.

Senator NUNN. Mr. Chairman, I just have one more question along that same line.

The CHAIRMAN. All right.

Senator NUNN. In effect then, as I understand it, Vietnamization is not a satisfactory course taken to its end and we must rely on negotiation in order to really have any kind of satisfactory conclusion to the Southeast Asia dilemma.

Secretary RICHARDSON. That is true. The Vietnamization course is a course that leads to a point where the United States is justified in disengagement of its own forces and in that sense it is a better situation for the United States, obviously, than existed at a point when we were carrying the main burdens of the war.

On the other hand, it remains unsatisfactory in the sense that peace in the area has not been achieved.

Senator NUNN. Thank you, Mr. Chairman. Those are all the questions I have.

The CHAIRMAN. All right, Senator, I am glad to see that you have some good questions to ask from the start. I understand you have others to ask in closed session. This is a working committee and, as I said to some of your friends in Georgia when you were assigned to this committee, "You watch him now; we will work him." [Laughter.]

Senator NUNN. Mr. Chairman, I might observe that they are watching me. [Laughter.]

The CHAIRMAN. Is there any committee member here now who did not have a chance to ask questions yesterday? If not, we will proceed then in the usual way. I will not take a great deal of time.

Mr. Secretary, I have another matter of concern which I will illustrate. I am not advertising bad news or anything, but I have had young pilots tell me that they were concerned from time to time about the maintenance of their planes by the ground crews. On this question of internal discipline and the problems that are going with it, one in particular told me that he was instructed not to reprimand the ground crews assigned to his plane because they might not reenlist if they were reprimanded by these junior officers, these lieutenants. I found that this is a question that has run through all of the services, so I am not pointing out the Air Force when I say pilots. But I think that you will have to make a very intense investigation of your own to determine the extent of practices such as I have related here. I do not make a statement about everything I hear because I know one pebble does not make up the beach, but you will be in a very fine position to have a survey made of these and related conditions, and put the power of your Office and the power of the services behind it, and restore to our military services that high degree of discipline that I think is necessary—the pinnacle that it once occupied. What is your response to this observation and suggestion?

Secretary RICHARDSON. My response, Mr. Chairman, is that if this were indeed a situation that occurred in more than isolated instances it would be a very serious one, indeed.

The CHAIRMAN. Yes.

Secretary RICHARDSON. In any event, I would certainly want to determine to what extent the problem does exist and take corrective action. Very clearly the objective of encouraging reenlistment cannot supersede the necessity for the maintenance of current discipline, and in that kind of situation I would insist first upon the preservation of discipline, and then see what we had to do to strengthen the reenlistment process.

The CHAIRMAN. This is an illustration in this intense drive for reenlistment. I am afraid it has been given a prominence at the expense of other essentials, as you put it, but I find it a general complaint. I sent staff members out to inquire about conditions—the general complaint of young officers that they have no authority, they are not backed up enough by their immediate superiors, that they cannot inflict any kind of discipline, even though mild, on some of the men under them unless they have a witness to these events; even matters committed more or less in their presence takes an additional witness. We have reports of that kind.

I mention this because I decided it is my duty to bring this up, even in the open, but I certainly am not intending to bring it up just to criticize. I hope it is not generally true but there is a lot of evidence.

Maybe we need to change the law with reference to these trial procedures. I call to your attention that if I were going to become Secretary of Defense, which I am not, of course, it would be one of the very first things I would attend to. I think it is more important than money, more important than missiles and weaponry by all means. I get my ideas partly from the grassroots people who have just come out of the service, or are still in it, and not from the kind who have a gripe, or who want to explore with me because I happen to be on this committee.

So I very seriously call that to your attention and we will talk about it more.

Secretary RICHARDSON. Mr. Chairman, I would just like to add that I take very seriously your concern in this matter. I am aware that you and members of the committee have means of obtaining information and gaining impressions of conditions that are not always available to those of us in the structure of an agency, and I would certainly want to have the opportunity to follow up the information you have and to work very closely with the committee on any measures that need to be taken to correct the situation.

The CHAIRMAN. Thank you.

Are you beginning this new position without or with any preconceived idea about how long you intend to remain? I ask this question of everyone who is coming in at a so-called high-level position.

Put another way, do you intend to serve in this position, if you are confirmed, as long as it is the pleasure of the President?

Secretary RICHARDSON. The answer is affirmative, Mr. Chairman; I would expect to serve at the pleasure of the President as long as he felt I was doing a good job.

The CHAIRMAN. May I call your attention to this philosophy and principle, as I see it? I think the primary duty of the Department of Defense, including each of the services, is to maintain the security of the United States. The Department of Defense and the services have no other mission. This is not an isolationist view now; I am talking about the military party, the security of the United States, and for the services and the Department, either or both, to be used for other purposes is, as I see it, a subversion. For them to be used just for social changes or reform is beyond their power and is an abuse of power.

For them to be used as an employment bureau, either within or without the services, is not the purpose nor the mission of any of the services.

It is not the duty of the Department of Defense to create additional jobs that are not actually needed, merely to hold down unemployment.

I am very concrete about the manpower levels of the military that we have to set. I was approached by one person who wanted me to favor holding those manpower levels up because a decrease in even a few thousand would add to unemployment. I am not insensitive to the matter of unemployment, of course, but the idea of using the Department of Defense and the military services—especially those in uniform—merely to give employment, is not only contrary to the purpose, as I see it, but it is subversive of the services.

Comment on that statement, if you will. You can make more extensive elaboration for the record later.

Secretary RICHARDSON. I am glad to have the opportunity to comment on it, Mr. Chairman. I agree with it. I believe we are going to be in a position where in order to maintain effective military capability we are going to have to seek every possible opportunity to eliminate positions that represent excessive overhead, excessive superstructure or excessive rear support. I think this has to apply both to military and civilian positions, so that far from being in the position of creating unneeded jobs in order to hold down unemployment, I feel certain

that we will be in a position of eliminating some jobs. This could, therefore, particularly in communities where bases are closed, bring about some problems of unemployment, and here we can only continue the efforts that have been made under Secretary Laird's leadership to carry out transition measures that will assist the community in absorbing people who are thus eliminated from Federal employment.

There are, of course, some uses of military personnel for other services that are not in conflict with their primary missions, it seems to me—the kind of things that have been done under the domestic action program. I can foresee, for example, expanded use of military medical personnel in providing emergency services in remote areas, and so on. This, of course, would both contribute to their own combat readiness and provide a needed community service.

The CHAIRMAN. I like your answer and your statement of your purposes and all. These things will be harder to carry out than to state, but you gave just exactly the response I had in my mind. This is a question of military preparedness which is the only real purpose of our military services. I want them to have every dollar they really need, but no more, and not just to serve the purpose of employment alone.

Senator THURMOND.

Senator THURMOND. Thank you very much.

Mr. Secretary, we are glad to have you back with us.

Mr. Secretary, if there should be further reduction of our regular forces, because of our disengagement from Vietnam. I presume in order to keep this country strong that you feel there should be a like increase in Reserve and Guard forces.

Secretary RICHARDSON. Yes, I do. I would like to underscore in my response the "if" in the question because, of course, as you obviously well know, the residual U.S. forces in Vietnam are small. There is considerable concentration of naval and air strength in the area, but these do not, so far as I am aware, represent extra strength that it is easily foreseeable could be reduced.

In any event, I do believe that in the total force concept that Secretary Laird developed, in which we look at our National Guard and Reserve capabilities as part of the total capacity we have to deal with an emergency, I do not know much about what is being done to relate the Reserve forces and individual Reserve members to existing units, but it is my impression, at least, that it would be useful to pursue as far as practicable the course of utilizing Reserve personnel to fill out and bring up to strength regular units, thereby reducing the lag time between mobilization of the Reserves and the ability to deploy Reserve units in combat.

Senator THURMOND. Reserves can be maintained, of course, at a minimum of cost compared with the regular establishment. I believe in a strong regular establishment and a strong Reserve, as I am sure you do, but if the regular establishment should be reduced then it would be essential that we do increase the strength of the Guard and the Reserve.

Secretary RICHARDSON. I agree with that, Senator. Of course this, in turn, leads to the importance of inducements to join the Reserve forces, a matter that will, I know, be very shortly before this committee.

Senator THURMOND. Mr. Secretary, under current policy the Reserve and Guard rather than the draft would be used to provide manpower in the event of a defense emergency. Presently Guard and Reserve forces are about 50,000 men under strength. I presume that you would study and advocate actions as deemed necessary to provide necessary manpower for the Reserves if this manpower shortage continues.

Secretary RICHARDSON. Yes, I would, Senator. I think it is a serious situation.

Senator THURMOND. Mr. Secretary, would you recommend to the President and the Congress induction authority to fill Reserve forces if the manpower short fall continues?

Secretary RICHARDSON. I think we would have to have some such capacity. It is fair to say that I believe that the terms and conditions under which standby induction authority may be needed under circumstances of an all-volunteer force is one of the questions that I would want to go into very thoroughly at an early stage, and the relationship of this authority to the opportunity to enlist Reserve personnel is certainly the most critical problem.

Senator THURMOND. If we did not receive the volunteers for the Guard and Reserve and we were relying on the Reserve since the Active Forces had been reduced then there would have to be some steps taken to fill the Reserves, would there not?

Secretary RICHARDSON. I think that follows; yes.

Senator THURMOND. Mr. Secretary, are you in position at this time to say at what level you feel our active duty forces should be maintained?

Secretary RICHARDSON. Numerically, no; I am not, Senator. I think that the whole question of missions, capabilities, weapons systems, force levels and structures, are obviously interrelated, and I would want to have the opportunity to become better educated in all of these matters.

Senator THURMOND. I presume that you are not in position at this time to discuss programs not now in being which may be needed to provide the necessary incentives to maintain the needed manpower for both Regulars and Reserves.

Secretary RICHARDSON. No; except that I am aware, of course, that the administration did propose legislation to this end in the last Congress, which passed the House, and I believe additional legislation is under consideration, and I am sure that this will be one of the things that we will want to ask this committee to consider at a very early date in anticipation of the expiration of the authority to induct people from the Selective Service lists at the end of this fiscal year.

Senator THURMOND. Mr. Secretary, do you believe it is prudent for the United States to reduce our military forces in NATO?

Secretary RICHARDSON. No; I do not, Senator Thurmond. I continue to believe that unilateral force reductions by the United States would be destabilizing. I think they would undercut the negotiating position of the United States in the mutual and balanced force reductions that are shortly to take place. I do not believe that there would be significant economies by transferring U.S. forces now in the European theater to the United States. I think there could be additional costs, indeed, associated with the development of the capacity to transport them quickly enough to Europe, and I think we should continue to

deal with the balance of payments problems presented by all of this. We should continue, of course, to emphasize the need for the development of additional capabilities on the part of our allies. But I certainly would not at this time favor unilateral reductions.

Senator THURMOND. Mr. Secretary, going back to the Guard and Reserve for a moment, I have had some complaint from members of the Guard and Reserve who are training on weekends at military installations where full use of the PX's and other facilities is not available to them. Would it not be worth looking into passing down a directive to allow full use of certain facilities because we are trying to give some of the fringe benefits and thus encourage service in the Reserves and the Guard.

Secretary RICHARDSON. That certainly sounds right to me, yes. That ought to be followed up, I think.

Senator THURMOND. Thank you very much, Mr. Secretary.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator.

Senator Symington, I am glad you could be here. I will call on you next.

Senator SYMINGTON. Thank you, Mr. Chairman. Mr. Secretary, I did not mean to push you about the bombing when I asked your opinion. Frankly, you did not answer. I would point out that inasmuch as you emphasize your respect for the President in this operation, what he said on the 21st of October last and I quote:

A leader must be willing to take unpopular stands when they are necessary, and when he does find it necessary to take an unpopular stand he has an obligation to explain to the people, solicit their support, and win their approval.

I believe I am a member of just about every committee involved in this matter, and have not yet been able to find out why we renewed the bombing. I was quite surprised to note that the Chairman of the Joint Chiefs of Staff apparently testified before the House yesterday that he was not consulted in the renewal of said bombing, so I ask if you know who did give the order to renew the bombing and how it was given to the military people who handled the job?

Secretary RICHARDSON. I do not know how the order was given, Senator Symington. I think that Admiral Moorer was making a distinction between the purely military aspects of the situation and considerations transcending the military implications of the step. And on the general proposition I am sure that there could be no disagreement with it as a principle that a different decision should be explained and be made subject of an effort to seek support whenever that prudently and appropriately can be done. I am not in position to analyze all the considerations that have affected the President's decision as to how to handle this particular situation.

Senator SYMINGTON. To me it is difficult to understand how a man for whom this committee has great respect, the Chairman of the Joint Chiefs, apparently was not consulted before the operation began.

Another problem that appears in this committee and other committees such as Foreign Relations, is our relationship with other countries from the standpoint of bases. We can go into most countries, based on my experience, if we pay enough, although some countries now do not want us regardless of how much we pay, for bases. I worry about the recent strategic bombing of the B-52's. In your opinion, can the anti-

United States attitude accelerated in Australia, a good former friend of this country, be traceable to this new bombing? Do you think that could affect our home porting facilities for the Navy and bases, we have some highly secret bases in Australia, as I am sure you know in other matters, do you think that could be affected by our operations in Vietnam?

Secretary RICHARDSON. I think on a short-term basis it could. I would trust not enough to render the situation really precarious. But I think that we need to think in terms of a somewhat longer timespan. There was, of course, a very sharp wave of criticism, following the President's decision to use U.S. forces in cleaning out the enclaves on the border of Cambodia in 1970. I think many people who criticized it then, would now agree, that it did contribute to the process whereby we have eventually arrived at a point at least close to a negotiated solution. I think that the mining of Haiphong Harbor, following the massive regular force invasion of South Vietnam last March, was an appropriate response.

Senator SYMINGTON. I am not talking about that, I am not talking about the harbor of Haiphong, I am talking about the city of Hanoi.

Secretary RICHARDSON. In the case of the city of Hanoi, the bombing has involved, as Admiral Moorer emphasized yesterday in response to questions of the press after his briefing, military targets, and with respect to the civilian consequences, I think that deplorable though it would appear that the bombing must have been quite accurate.

Senator SYMINGTON. I will shift to another line of questioning, and you mentioned, I think, Cambodia. I have been in Cambodia in the last year and I have been briefed on Cambodia and I think it is fair to say if there has been any change it has been for the worse. I was very worried from what I saw in Cambodia. Also certainly, it is no better in Laos and counterinsurgency is no better in Thailand, I would like to ask you some more detailed questions on that when I submit more questions for the record—as long as you mentioned Cambodia, I brought that up.

Have the new anti-American manifestations in Norway and other NATO countries, not to mention Sweden, had any effect on U.S. base facilities in Europe?

Secretary RICHARDSON. I am really not up to date on that, Senator Symington. I can only say that I trust that these—these are countries, of course, where people are free to demonstrate, and I think it is not surprising that there should be people in those countries who feel strongly on this, and I would hope that that fact does not in itself manifest a fundamental weakening of the ties between our countries.

Senator SYMINGTON. Mr. Chairman, I have a couple more questions.

In your opinion, are the pressures on Mr. Heath in England and Chancellor Brandt, condemning American bombing of North Vietnam, having any political effect on the continuation of our bases in those two all-important countries to us?

Secretary RICHARDSON. I can only say not that I know of. I do not—it does not seem to me likely that this should be so. In any event, I certainly agree with the importance of our relationship with those countries.

Senator SYMINGTON. Then, we get to Japan. I went through Eastern Europe as well as Western Europe last month, and people could not understand why we are sort of cuddling up a bit to China, which I praise, think it was a good idea, and cuddling up a bit by our President visiting also the Soviet Union and then at the same time, we were being so hard in strategic bombing against a little country. The record will show that 15 years or more ago I asked at the time of the Hungarian crisis and the Israeli-Egyptian problem: Is our policy going to be one of strong against the weak and weak against the strong? The Japanese, I noticed, are doing their best now to get a rapprochement with the Chinese, and I just wonder how you feel about what this is doing, you might say, to world respect and world friendship in this type of character of operation we intend to continue in Indochina unless we get our way at the bargaining table?

Secretary RICHARDSON. I do not think it would serve any useful purpose for me to try to belittle the reaction of many people in other countries. You mentioned Japan, however, and I think that the present state of our relations with Japan has, in fact, improved significantly in recent months. I happen to be a little bit more up to date on this matter than I am on relations with the Scandinavian countries, for example, because I happened to have the opportunity to talk yesterday with our Ambassador to Japan, and I think what is involved, really, is a situation which understandably provokes public concern and public reaction, but which should not, and I trust has not, weakened the very basic mutual relationships between the United States and its allies. These relationships, after all, rest on considerations of mutual interdependence and mutual advantage, and I believe that the leaders of these countries are people who understand the importance of these relationships sufficiently well so that they would contribute to trying to moderate reactions that might otherwise seem to affect their continuation.

The CHAIRMAN. Senator, you used additional time. I hope the Secretary can be fairly brief in his answer.

Senator SYMINGTON. I have just one more question, Mr. Chairman, and I appreciate it.

During World War II when pilots were shot down, who knew plans that went beyond what they would normally know in their position, the custom was not to let them fly over the lines again.

I think one of the saddest things about this whole military picture is the secrecy in the atomic field which even though I have been a member of that committee now for some years, I still do not quite understand how it got this way. However, we are now using B-52 pilots most of whom must know some details of our strategic planning for the use of the weapons that the ship was really designed to handle—the heaviest and most lethal bombs that we could make.

Inasmuch as we are now losing a good many B-52 pilots, do you know whether there is a screening so that the only pilots who are flying over North Vietnam are ones who do not know of our plans. Do you happen to know that?

Secretary RICHARDSON. I do not happen to know. I would be quite certain that they did not. It is not necessary for an individual pilot to be in possession of information with respect to any comprehensive plan.

Senator SYMINGTON. I can answer you, with great respect, I am quite certain that some of them did.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator.

Senator Tower.

Senator TOWER. I have no questions, Mr. Chairman.

The CHAIRMAN. Senator Byrd, that brings us to you, sir.

Senator BYRD. Thank you, Mr. Chairman.

Mr. Secretary, my last question to you yesterday was, did you favor the United States sending troops into Cambodia April 30, 1970, and you answered that with one word, "Yes."

My next question is, Do you approve or disapprove of President Nixon's mining of Haiphong?

Secretary RICHARDSON. I do approve of it. I think it was, in the circumstances, a very difficult decision to make and in my view a very courageous one. I believe that it made a significant contribution to containing, not immediately, but in the course of time, the capacity of the North Vietnamese to sustain their massive offensives, and I further believe that it was a demonstration of determination on the part of the President which far from jeopardizing the opportunities for serious negotiation with the Soviet Union in Moscow, actually reinforced them.

Senator BYRD. Do you think the mining should be continued until a peace agreement is signed?

Secretary RICHARDSON. Yes; I do.

Senator BYRD. For several years the Defense Department has been running protective reaction raids over North Vietnam. What is your view in regard to protective reaction raids?

Secretary RICHARDSON. I understand that the term embraces raids that are conducted to knock out antiaircraft installations that are firing on U.S. planes carrying out missions directed toward military targets. I understand that there has been some room for ambiguity as to the circumstances under which a raid was justified by this objective, but I would say that insofar as there is strict adherence to guidelines that govern when a raid is legitimately a protective reaction raid that it is justified, and I would not expect to advocate a change of that policy.

Senator BYRD. Do you favor or oppose the pre-Christmas bombing of North Vietnam described as perhaps the heaviest bombing ever?

Secretary RICHARDSON. This, of course, is a question we have touched on before. I will try to answer that in a slightly different way than I did yesterday. The problem in asking me whether I favor it or oppose it is that it implies a knowledge of all the considerations that affected the decision. I know less about that than I know, for example, about Cambodia. I can certainly see in this situation—the negotiating situation, the military situation, those elements of it that affect the ability to maintain a stable cease-fire—a set of factors which would, in my view, have justified the decision the President made. It must have been an agonizing decision for him. No one, in a position of responsibility, would want to be confronted with that kind of choice, knowing as he must, that not only will military targets be hit but that there could well be and perhaps inevitably will be civilian casualties.

On the other hand, this has been a long and agonizing war in itself. The North Vietnamese offensive of last spring, within the first 3 days

was estimated to have brought about more than 20,000 civilian deaths. These bombing raids, according to figures released by Hanoi, caused some 1,300 civilian deaths. The President's objective has been from the outset to bring about peace, to bring about peace on terms that could contribute to preventing another war. The problem has always been for him how to reduce the loss of life, and in this situation, as in all wars, the problem of a Commander in Chief is what must he do that will reduce the loss of life over time even though the immediate decision may cause loss of life, and I can well understand—or at least, I think I can have some glimpse of—the kind of thought the President must have given to this and I can certainly see in the situation several factors that might well, had I been in the same situation have brought me out where he came out.

Senator BYRD. While your reply was somewhat lengthy, would it be accurate to say that what you are saying, in effect is, that you favor what the President did in the December raids?

Secretary RICHARDSON. I think it would be more accurate to say that I support it. Now, if that seems like a quibble it is only because to say that I favor it implies an actual process of participation in the decision and actual knowledge of all the factors which he actually took into account. In any event, because I have felt that his other very difficult decisions, taken in South Vietnam—decisions that in several instances have evoked massive public criticism—were justified, and because I think in retrospect many more people would agree to this than had agreed at the time, and because I believe that the President would have approached this decision in the same kind of way, I have what you might call a respect for it that leads me to support it.

Senator BYRD. If the Vietnamese do not come to terms in the current Paris peace talks, would you favor or oppose resuming the bombing of Hanoi, Haiphong, and other North Vietnamese targets?

Secretary RICHARDSON. That, I think, is a question too speculative for me to comment on. In any event, of course, the Secretary of Defense is charged directly with primarily military concerns, and this is a question which obviously involves concerns that are within the province of the Secretary of State and others.

Senator BYRD. You mean to say the Secretary of Defense is not involved as to whether or not there shall be bombing of military targets in an enemy country?

Secretary RICHARDSON. No; I did not say that, Senator.

Senator BYRD. You implied that it was the responsibility of the Secretary of State.

Secretary RICHARDSON. No; I said that the question of what to do, given a breakdown in negotiations, is a question that involves considerations transcending purely military considerations. I do not think that I should try to answer the question, therefore, both because it is hypothetical and because it would involve the roles and responsibilities of people other than the Secretary of Defense. I do not mean to imply that I would not be involved or that I would not have views or recommendations, but I do not believe that I should try to give you a yes or no answer to such question under these circumstances.

Senator BYRD. Vietnam has been described as a limited war. Would you give the committee your thinking as to the theory of a limited war, whether a war can be limited or should be limited?

Secretary RICHARDSON. I believe that there was justification in South Vietnam, so far as U.S. forces were engaged, to prescribe rules of engagement that restricted their use. I think that the risks of a wider conflagration were sufficiently serious to justify this.

One could well ask whether on balance, the U.S. involvement under such restricted conditions really adequately served the purposes which led to our intervention in the first place. This, I think, is a very difficult question—we touched on it yesterday—but I do believe that we should be prepared to engage in the use of U.S. forces under limited conditions, and indeed the United States has traditionally and in many situations done this. Not to be in that position would mean, in effect, that either we did nothing or we precipitated an all-out war. It seems to me that it is inadmissible for us to be restricted to either of those alternatives.

Senator BYRD. None of us favor war, of course, but if the United States should become involved in another war would you, as Secretary of Defense, favor fighting that war to win it?

Secretary RICHARDSON. Not necessarily, Senator Byrd. I think that the question of the role and purpose of the engagement of U.S. forces could well in other situations be an objective short of total victory. I think that, notwithstanding that, their use might nevertheless be justified.

Senator BYRD. During your term in the Cabinet Congress debated the establishment of an ABM system. Did you favor or oppose the Government setting up an ABM defense system?

Secretary RICHARDSON. I favored it. I attended all the National Security Council meetings which discussed it. Indeed, I believe that the very narrow vote by which the ABM program was sustained contributed tremendously to the success of SALT I, and I believe that one of the most significant outcomes of SALT I was made possible by the fact that the United States decided to go forward with an ABM program.

Senator BYRD. Yesterday you replied to Senator Symington stating, "Vietnamization, the Vietnamization program, has been remarkably successful." Now, if the United States completely withdraws, including airpower, do you feel South Vietnam can effectively resist North Vietnamese aggression?

Secretary RICHARDSON. So far as I have enough information to form a judgment, I think the answer is yes, subject, of course, to continuing U.S. economic and material support.

Senator BYRD. In regard to economic support, if and when the peace arrangements are completed, would you favor economic aid to North Vietnam?

Secretary RICHARDSON. Yes, I would. I think that an international program of rebuilding, to which the United States contributed, would be constructive.

Senator BYRD. Would you give the committee your view on the Ellsberg matter and whether Mr. Ellsberg should be prosecuted for his handling of the Pentagon papers?

Secretary RICHARDSON. It seems to me, Senator, that it would be inappropriate for me to comment on a matter which I understand to be pending in court now.

Senator BYRD. It would be improper for you to comment on papers which have been stolen from the Defense Department, improper for you to express a view as to that case?

Secretary RICHARDSON. I am certainly against stealing.

Senator BYRD. I beg your pardon?

Secretary RICHARDSON. I am against stealing papers from the Pentagon but——

Senator BYRD. Do you feel——

Secretary RICHARDSON (continuing). But I do not believe that I should comment on a pending case as such.

Senator BYRD. Did not the Defense Department, did not the Justice Department on behalf of the Defense Department bring the case?

Secretary RICHARDSON. Yes.

Senator BYRD. Well, could you not tell the committee your view as to whether in your judgment the stealing of the Pentagon papers by Mr. Ellsberg, whether he should or should not be prosecuted?

Secretary RICHARDSON. I can answer that. I believe that the prosecution is justified.

Senator BYRD. That was my original question.

Mr. Richardson, are you in favor of maintaining strategic and conventional U.S. military strength superior to that of the Soviet Union?

Secretary RICHARDSON. I believe that the United States should maintain forces constituting a sufficient capability to deal with any contingency that arises. I believe that we must have the capacity to deter aggression. This involves elements of technological superiority, but I think that to go beyond that involves issues of what you might call numbers, and here we get into the overall balance issues that are of course fundamental to SALT. I think the key to it all is that we should have the ability to deal with a wide range of possible situations, including conventional capability, and that we should in no case allow a situation of inferiority as between the United States and any other power to develop.

Senator BYRD. Mr. Richardson, do you believe that the United States can maintain military strength that is adequate to national security and, at the same time, reduce the defense budget?

Secretary RICHARDSON. In dollar terms that seems to me unlikely that we can reduce the defense budget in the foreseeable future. I think we can continue to process of gradual reduction of the proportion of the defense budget to the total budget. That, of course, has been taking place throughout this administration, and, as Secretary Laird has pointed out, it is now I think the lowest proportion of the budget since 1951. I think it will be possible, with continuing economic growth, and, therefore, continuing revenue increases to meet the constantly escalating expectations of people for greater action on domestic programs while also maintaining adequate military strength. But I don't think it is likely, so far as I can see, that we are going to be able to do this and also bring about actual dollar reductions because of personnel costs, because of the inflation factor in the acquisition process, and because, of course, of the extent to which improvements in weaponry involve increasing costs.

Senator BYRD. If you hope, as we all do, that mutual disarming by the Soviets and ourselves may become possible, are you nevertheless prepared to provide superior U.S. military power?

The CHAIRMAN. Senator, you have fine questions and I have been very much interested in them, but if you will excuse me your time has run over. We will come back to you.

Senator BYRD. Thank you.

The CHAIRMAN. Senator Goldwater.

Senator GOLDWATER. No questions. As to the Chair's understanding regarding this question of the relationship between the pilot and the crew, I visited every airfield in the theater and the aircraft carriers many times, and the closeness of the pilots and the crew is as good today as it has been throughout my whole experience in flying. I think there might be isolated cases but I don't think anyone can find such a close rapport on the sea or on the land, Air Force or Army or Marines as exists between the pilot and the men who make it possible for him to fly. I have to take my hat off to these men because we are flying some weary old aircraft and if we didn't have these men they wouldn't be flying. I have no questions.

The CHAIRMAN. Thank you, Senator. Your statement is very reassuring and I am glad you found it that way. There are certainly some exception. Senator Hughes.

Senator HUGHES. Thank you very much, Mr. Chairman.

Mr. Secretary, philosophically how do you view your position as Secretary of Defense in relationship to the control of the civilian over the military?

Secretary RICHARDSON. I believe, Senator Hughes, that civilian control is a very fundamental part of the kind of responsible self-government this country has always had under its Constitution. I believe that public confidence in and support of our Armed Forces rests in very considerable part on the belief that the most fundamental policy decisions are made by civilians drawing, of course, upon the expertise and the professional advice of military people. The identification of the President of the United States as Commander in Chief is, I think, expressive of an American attitude toward the ultimate responsibility of civilian authority. That, in turn, I believe, is a reflection of a determination that people should have a voice in the selection of those who hold ultimate responsibility, and all of these, I think, are considerations that support the tradition and the current practice, and I would want to maintain it.

Senator HUGHES. Mr. Secretary, pursuant to an act of Congress last year, there are now going to be two Deputy Secretaries of Defense. When we got into the Lavelle matter last fall, it was implied to us that had we okayed this sooner, there would have been better civilian control of the military. How do you propose to divide the responsibility in general of these two Deputy Secretaries of Defense?

Secretary RICHARDSON. I really don't know at this point, Senator Hughes. I have read the testimony by Secretary Packard in support of the legislation to create a second deputy position, and I have also seen memoranda discussing various possible ways of setting up the two positions.

Should Mr. Clements and I both be confirmed we would expect to go through a kind of shakedown period in which we allocated roles of principal emphasis between us and I don't believe we would be in a position to think about the particular background or capabilities that we would seek in a second deputy until after this shakedown cruise.

Senator HUGHES. Well, would you be disposed to put one of the deputies in direct control of military operations?

Secretary RICHARDSON. I believe that the responsibility for operations, the ultimate responsibility, subject, of course, to the President himself, should remain with the Secretary when he is there, and the principal one of the deputies, would have to be in effect designated as No. 1 deputy for purposes of stepping into the Secretary's shoes for this purpose whenever he wasn't there or whenever he was inaccessible.

I think Secretary Laird in important operational matters maintained responsibility virtually all the time, even when he was not in Washington, and he never went anywhere without having established the communications necessary for this, and I would expect, generally speaking, to follow that policy.

Senator HUGHES. Mr. Secretary, as a civilian, and a member of the National Security Council in this capacity, would you believe it to be your obligation to advise the President in confidential discussions or in private discussions to use means in the world than war to resolve the differences between nations such as has happened in Indochina—vehicles such as the World Court, the United Nations, the Geneva Convention?

Do you believe the last alternative should be physical force rather than the first in our interventions?

Secretary RICHARDSON. Yes, certainly, I would. To respond to the first part of your question, I would certainly offer any views that I thought might be helpful or constructive as to the possible use of alternatives short of force, and I would certainly believe, and I do certainly believe, that those alternatives ought to be exhausted before force is used.

Indeed, I am totally confident that this is the President's own view.

Senator HUGHES. Will you assure this committee that that will be your approach?

Secretary RICHARDSON. Yes.

Senator HUGHES. Mr. Secretary, in the past Secretary Laird gave assurances, which Senator Brooke and I added as language to the SALT resolution that the United States would not develop weapons which might be construed as having a first strike potential, especially hard target warheads. Can you assure us this will also be your policy and that you will assess both the spirit and the letter of the SALT agreements in making recommendations in defense spending?

Secretary RICHARDSON. Could you please repeat the first part of that?

Senator HUGHES. Yes.

In the past Secretary Laird gave assurances, which Senator Brooke and I added as language to the SALT resolutions, that the United States would not develop weapons which might be construed as having a first-strike potential?

Secretary RICHARDSON. Yes.

I don't want to be misleading—we get into pretty tough ground here because obviously in connection with a weapon that could be used in a first strike, there is nothing, if you look at the weapon, that necessarily tells you how it would be used, and what you are really touching on is the problem of interpretation by the other side as to a move that might be construed as destabilizing because it looked like a move toward the development of a first-strike capability. And my affirmative answer is, in effect, that I do not believe that the United States should, as a mat-

ter of policy, take steps that are subject to a primary interpretation that they are so intended.

Senator HUGHES. Mr. Secretary, do you believe that deterrence is a function of specific numbers of intercontinental missiles and nuclear submarines or of the overall strategic balance of forces, including the forward based forces in Europe.

Secretary RICHARDSON. I believe that we need to take the total balance into account. The question of classification, of forces as between strategic and tactical, of course, is a sensitive one.

Senator HUGHES. Mr. Secretary, if I could leave this subject just for a moment and go back to things that may seem of less importance to the world but are certainly important to some people. The residents of the Island of Culebra have had a commitment for several years from the Secretary of Defense that naval bombardments of their island will be moved to another location by no later than June 1, 1975.

This commitment was reaffirmed by Secretary Laird as recently as November 4, 3 days before the election. And in a telex message to the Governor of Puerto Rico it was reaffirmed. However, on December 27, Mr. Laird submitted a report to Congress on a study of the Culebra target range and recommended that the Navy be permitted to continue the bombardments into the indefinite future. What policy do you intend to follow as Secretary of Defense in regard to this little island of Culebra, which we have been shelling and bombing and what not for I don't know how many years?

Secretary RICHARDSON. I would certainly want to look into it. All I know so far is—I wanted to check my impression whether or not live ammunition is being used. I am told that it is not, and I also gather that the question of the attitude of the people involved is mixed, because a considerable portion of the population of the island is actually employed by the United States in connection with setting up targets and so on. But I would certainly be glad to look into it and review the considerations that have led to these successive positions.

Senator HUGHES. Mr. Secretary, did I understand you correctly that you are willing to review this position which is an apparent change of policy as of December 27?

Secretary RICHARDSON. Yes, you did.

Senator HUGHES. And will you make at least a representation to to the committee, if it was a change in policy, why?

Secretary RICHARDSON. Yes, I would be glad to do that.

Senator HUGHES. For our information.

Secretary RICHARDSON. I would be glad to do that.

Senator HUGHES. Mr. Secretary, as you know, specifically I have had the major responsibilities of looking into the problem of drug abuse, narcotics addiction, and alcoholism in the military forces as far as the Senate is concerned. We had a team of investigators in Europe last fall, and the Army commanding general in Europe, General Davidson, seemed to report a dramatic increase in drug use, particularly in opium usage in Western Europe among soldiers under his command and there has been speculation and fear we are on the very beginning of some sort of an epidemic such as we went through in Southeast Asia.

Have you been briefed on the problem? How do you picture it, and if it is deteriorating as badly as the general seems to believe, what would you propose to do about that?

Secretary RICHARDSON. I have no ready answer to that, Senator Hughes. I haven't been formally briefed on it. I have had some discussion of the situation with Assistant Secretary Wilbur, and some with Secretary Froehlke, but I can only say now I am very much interested in this problem and concerned about it.

As you, of course know, we in the Department of HEW, acting under legislation of which you have been the principal sponsor, have, I think, significantly improved our efforts to cope with the problem of drug abuse, and I would take that background of concern with me and would want to be sure that we are doing all that we can do within the military.

I do know that what is now being done represents a very substantial improvement over what was being done not very long ago and I believe we can continue to do better.

Senator HUGHES. Mr. Richardson, you bring with you a great deal of experience to this office from your position as Secretary of HEW and the divisions therein in relation to alcoholism, drug abuse, and narcotics addiction. You know all the personnel involved in the entire governmental structure in relationship to this field in the civilian sector as well as the military. I would hope this committee could expect from you leadership in the military command and coordination from point of discharge and Veterans' hospitals and into the civilian sector of all personnel that come in contact with this problem. I believe you would be more than willing to give us that assurance.

Secretary RICHARDSON. You are correct, Senator. I am more than willing to give it to you. I think it is a matter that we owe our servicemen and a matter of common humanity and concern for individuals. I also recall—I had not thought of it for years—the mission of what was then called the Army Medical Department. I remember the manual I first saw in basic training, which stated the objective of the medical department of the Army as the conservation of mobilized manpower which struck me as pretty coldblooded at the time, but only because it states so baldly a concern with the effective use of people who have been trained for a particular role. And so, apart from our concern with the individuals who are serving in the Armed Forces as individuals, we must have a concern with their usefulness and their ability at any given time to carry out their roles.

The CHAIRMAN. Gentlemen, thank you very much.

Senator HUGHES. May I ask one final question in relationship with this?

The CHAIRMAN. Yes.

Senator HUGHES. Mr. Secretary, I have listened to you in a number of your speeches in relationship to the subject of alcoholism, as well as to former Attorney General Mitchell. I have watched the policy of the United States in their programs. Some have been engendered in the Congress and some have been supported through the administration.

I would like to ask you a question for purpose of identity.

Do you identify alcoholism as a disease?

Secretary RICHARDSON. Yes. Before I came to Washington, in fact, as attorney general of Massachusetts, I was responsible for the development of legislation to create a statewide system of treatment and rehabilitation for alcoholics, and one of the significant elements

of that bill was that it would repeal the laws making drunkenness a crime, which contributed to the revolving door process that has been so characteristic of the handling of alcoholics over the years, and would substitute instead a treatment system.

Senator HUGHES. I asked this question for the specific reason because the services have resisted doing so, Mr. Secretary, and I hope you will make a mental note of that and carry it in your programs.

Thank you, Mr. Chairman, for allowing me to continue that line of questioning.

The CHAIRMAN. Senator Saxbe.

Senator SAXBE. Mr. Secretary, I listened with interest to your answers to the questions of Senator Thurmond in regard to the Reserve, and I presume that you are familiar with this total force concept that the President has set out in regard to integrating the Guard, and you referred to it there. I think I have some knowledge on this, and we have discussed this, and I believe that if this is to work that it requires a Secretary of Defense who will actively support this total force concept and also the intensification of the total force concept, which is another program that you are familiar with, that further integration of the Guard and Reserve makes them responsible.

The Guard and the Reserve can't be treated like second-class soldiers and still hold up their enlistments and still be responsive. I think that a lot of the regionalism that required them to be separate units has disappeared, but there is still a lot to be done if they are going to be responsible, be respected, and not be just soldiers 2 weeks of the year and second class the rest of the time.

Referring to my remarks yesterday and calling your attention to the discussion, and then to the questions of Senator Byrd, Senator Symington, in the statement you expected to have substantial input with the President, and then your statement here this morning that the agonizing decision of the President to bomb North Vietnam, to bomb a city, was beyond your capacity to approve or disapprove but that you knew that it was this kind of an agonizing decision, now, the question that I have is, Do you think there is any limit to the President's power other than his own conscience in regard to all-out bombing, in regard to dropping the bomb, the big bomb, in regard to moving into another country?

Secretary RICHARDSON. I think there is a limit imposed by conscience, by an understanding of the role of Congress as a coordinate branch of Government, and by a sensitive concern for standards maintained by enlightened humanity generally. Like all really difficult problems, this one would be a problem of degree. The actual situation that we have discussed here today involved the use of planes that had been engaged in the war already. It involved a degree of increase in scale and an extension of area, really, and obviously the President had to weigh all these things.

But having come out as he did in this situation would not, I think, mean that it would follow that he would come out in the same way or that he would have proceeded in the same manner if these differences of degree had been greater.

Senator SAXBE. The sending of troops to Lebanon, the sending of troops to the Dominican Republic, could have been construed as acts of war, could they not?

Secretary RICHARDSON. Yes, I suppose so. But we get into an area here where I am a little cloudy as to what in international law is technically an act of war.

Senator SAXBE. But the question recurs, if the Security Council or the Joint Chiefs of Staff, and I say this because Admiral Moorer testified yesterday before the House committee that he had no knowledge of these bombings, this stepped up bombing over the north, obviously was not consulted, I understand that the Secretary of the Air Force, Mr. Seamans was not consulted about this, in fact had no notice of it and if this is not true I stand to be corrected. There was obviously no attempt to consult Congress as Chairman Stennis reported yesterday.

I don't know about the Lebanon situation, I was not here and had no way of knowing, I don't know about the Dominican situation but it seems to me that the Security Committee, the chief security, the Chairman of the Joint Chiefs, and the Secretary of Defense should have the ear of the President. If Congress cannot be worked into it there is something wrong also, but I think this is something that disturbs the American people. My mail reflects this very much. Not necessarily individuals but the overall concept that the President is not limited by anything but his conscience and, no, sir, you say, the other intangible things are there and I mean by that the degree of public opinion, but if he wanted to order to drop the bomb who is to say no, and this thing in Vietnam points it up.

That is all I have.

The CHAIRMAN. Thank you.

Senator Nunn, that brings us back to you on the second round.

Senator NUNN. I just have one brief question.

Going back, Secretary Richardson, to the line of questioning that my colleague, Senator Hughes, was pursuing yesterday regarding the Lavelle case, I have many constituents who are very concerned about the lowering of esteem of the military services in the eyes of the public, and they also are very concerned about the seeming disparity between the treatment of high-ranking officers who disobey orders, disparity between their treatment, their punishment, and general inquiry surrounding that, and the same type treatment received by low-ranking officers and enlisted men, and without going back over the questioning of Senator Hughes, as I understood it at one point in your answer yesterday you said you would be willing to review the treatment of Lavelle and the surrounding circumstances but then you closed with the words "Sometimes it is better to leave things closed."

I would like to specifically know if you are willing to personally or through one of your top deputies, review this matter and if you find it to be an inequitable treatment to reopen it and pursue it.

Secretary RICHARDSON. I would be glad to. As I said yesterday, I will review it. I think I should review it for various reasons including a better understanding on my own part of what was involved in order that I would be in a better position to insure that that kind of thing does not happen again.

On the question of reopening it, the answer would depend, first, on my own judgment about its disposition, but also on considerations that have in effect to do with, whether I might have agreed with the result or not, it would be better—this is what I was referring to—to let a matter that was handled by an existing process, stand, in effect.

I hope I make myself clear. One might disagree with the judgment of a court in a case that eventually proceeded to conviction and sentencing but nevertheless conclude that there had been due process, and that it should not be reopened. I want simply to make clear that even though I had reviewed it I might still conclude that it was not appropriate or desirable for me to go back and try to change the situation.

Senator NUNN. Would you have the same opinion about the review of the *Lieutenant Calley* case.

Secretary RICHARDSON. I would give the same second part of my answer. I have no intention of reviewing that matter at all.

Senator NUNN. Mr. Chairman, I have one other observation rather than question: I didn't hear it but I understand it has already been alluded to by the chairman. We will, in executive session, pursue the matter of financial holdings and conflict of interest. I wanted to make the point that has not been gone into.

The CHAIRMAN. That is correct.

Senator NUNN. That is all.

Thank you.

The CHAIRMAN. Mr. Secretary, I have a number of questions and don't expect elaborate answers although I do not intend to limit you in any way. In the interest of time, we should be fairly brief. You will have an opportunity to add to these answers before the record is made up.

You are coming over from the HEW secretaryship to Defense, assuming you are confirmed. Do you carry over with you now any obligations or promises that you have made as Secretary of HEW relating especially to those duties where you would feel obligated to temper or slant your views in any way as Secretary of Defense?

Secretary RICHARDSON. No; I don't, Mr. Chairman. Of course, there are situations, such as we touched on in my colloquy with Senator Hughes.

The CHAIRMAN. Yes.

Secretary RICHARDSON. On drug abuse or alcoholism where I may have learned something or developed a point of view that I bring with me but nothing, I think that would be classed as an obligation.

The CHAIRMAN. Yes. It is a new start and you will be passing on matters with particular reference to your obligations as Secretary of Defense now. There will be a new start now; is that correct?

Secretary RICHARDSON. Yes.

The CHAIRMAN. Your reference to the Reserve and the planned use of them is very relevant. We are presently spending over \$4 billion per year on the cost of the Reserves, including the National Guard and equipment. That is a rough estimate, and unless they are actively in your plans, the President's plans, and in the military plans, I think we are just fooling ourselves and that we should do something about it.

We are going to have to add to the Army and Navy Reserves rather than reduce them. I'm assuming they are in the forces picture and are expected to be used. Is that a general firm attitude?

Secretary RICHARDSON. Yes, it is, Mr. Chairman.

The CHAIRMAN. I have listened to your testimony about the resumption of the bombing, and I want to make this comment. Although I have had no prior warning or any special knowledge, I think there

are basic fundamental causes for hope for an agreement at the conference table. This idea is not based on anything I have been told, but just my commonsense tells me that the President is bound to have had some basis for going back to this table and that he has a basis for expecting something. I don't understand the operation of the mind of the North Vietnamese any more than anyone else, but I remain hopeful that there is something to this latest action. No one can put a timetable on it—we have been disappointed before—but if you come in now as Secretary of Defense it seems to me that you will have some responsibility, unavoidably so, and that you would, with proper deference to the Commander in Chief, who is the President, insist on some consideration of your view.

I am not going to ask what you are going to say to the President, but my question is, do you feel that you will have access to the President?

Secretary RICHARDSON. Yes.

The CHAIRMAN. When you ask for it—not only on bombings but on other major matters.

Secretary RICHARDSON. Yes, definitely so.

The CHAIRMAN. Express yourself on that as strongly as you can.

Secretary RICHARDSON. The answer is clearly, yes, Mr. Chairman. This is a matter that I have discussed both with the President and with Secretary Laird, and I regard it as an inherent responsibility of my office or would regard it as an inherent responsibility of the Office of Secretary of Defense to have such opportunity.

The CHAIRMAN. I am very much pleased that you have been given those assurances. I know they were given in good faith and therefore will be carried out. It is a highly important matter, to my mind, and I think to other members of the committee, and I feel assured by your answer.

As I understand your testimony on the matter of reduction of troops in Western Europe, I have nothing to recommend on that now, but I was surprised and also disappointed that you would come in as Secretary of Defense with your mind already made up that there shouldn't be any reductions over there in our military strength.

There is a lot of opinion that things could be pared down quite a bit numerically without diminishing in the least the military strength.

My question is, will you make a survey of it from that viewpoint with the resources you will have at your hand and have a conclusion about it?

Secretary RICHARDSON. I would certainly, Mr. Chairman, want to review and, if necessary, undertake a new survey of any opportunities that exist to reduce the number of personnel who do not contribute to our actual military capability.

In other words, if there are people in the overhead or headquarters units that could be reduced I would certainly want to do that. But I—the reason why I was really as firm or as flat in my response as I was is that I spent a lot of time on this general problem at the Department of State, and I thought I saw a basic relationship between the maintenance of forced levels and balanced and mutual force reductions, and since they are about to take place it seems to me the same considerations that I had reviewed intensively in the past remain in effect.

The CHAIRMAN. So you will make this review of possibly reducing without impairing the military strength?

Secretary RICHARDSON. Yes.

The CHAIRMAN. It would be reassuring to me, and I think to other Members of the Senate whose votes are necessary to pass these military bills, for you to be frank about it.

If you are overruled by the President, I would not have any complaint, of course, but I do want your opinion.

Back to this matter that related to the discipline. There is a common complaint by the noncommissioned officers, NCO's, as well as some junior officers, to the effect that the code of military justice adversely affects discipline because it imposes too strict standards of proof.

I am not jumping to conclusions. Certainly I am a man of some compassion and have practiced law a number of years so I am not a stranger to the courtroom. But, I think that in our efforts to get to the very essence of justice in every case, that we made the law too firm, too hard, and too restrictive on the military authorities—I am talking now about the company level. It is very hard to get the Department to recommend any real changes in this military code. It seems to me that we are going to have to do it ourselves, but we will do a better job if we have the help of the Department of Defense and the military services.

I don't know why they hold back so, unless it is in some way mixed up with other matters that I don't think have a thing to do with it.

Are you familiar with this matter that I have talked about? Have you been briefed on it?

Secretary RICHARDSON. No.

The CHAIRMAN. All right. Will you look into this military justice matter and specifically examine and have it examined by your advisers for possible code changes and changes in the written law?

Secretary RICHARDSON. I would be very glad to do that, Mr. Chairman. I would do so, I think, with the awareness that a very recent study of the military justice system was completed and I would start out, therefore, by studying that to see what additional consideration and thought ought to be given to the problem you raise.

The CHAIRMAN. It is so easy to want to give more personal rights to the man in uniform—the soldier—that is human nature, I would think. But I think the reality of life is that there is no such thing as absolute justice in every case. There has to be some authority somewhere to have this military discipline.

Secretary RICHARDSON. That is clearly right, Mr. Chairman. There is, of course, one of those situations where competing considerations have to be weighed. The other side of the picture, I assume, involves the opportunity to attract and retain military personnel, in the general sense of the fairness of the system and so on.

The CHAIRMAN. Justice and discipline are both essential and hard to get to, but we have got to cope with it in some way and I think a change in the law is going to be good, though difficult to get.

All right, my time is up.

Senator Thurmond, may I call on you next.

Senator THURMOND. Mr. Chairman, I have no more questions. Thank you very much.

The CHAIRMAN. Thank you, Senator.

Senator Symington.

Senator SYMINGTON. Thank you, Mr. Chairman.

Mr. Secretary, I have just one more group of questions. In answer, I believe, to Senator Byrd you said you favored economic aid to South Vietnam. I saw Great Britain, England specifically, during the battle of Britain and the blights and later on after VE Day I saw it return. And later on the devastation of Tokyo and so forth and it is pretty rough stuff.

The countries that we have been bombing, are primarily rural countries, agricultural, the villages, and I have seen reports that say in effect that the land had been destroyed for many years to come because of the cycle involved.

You mentioned that you would like to see us give economic aid to rebuild South Vietnam, is that correct?

Secretary RICHARDSON. Yes; and I added that I think the question went on to touch on the possibility of the U.S. contribution to rebuilding North Vietnam as well.

Senator BYRD. If the Senator from Missouri would yield for just a moment for clarification, my question dealt with North Vietnam.

Senator SYMINGTON. I was going to ask about North Vietnam and I am glad the Senator mentioned that.

Would you also include Laos?

Secretary RICHARDSON. Yes; I would like to—I have long believed that if we could achieve peace in the area that there would then open up a major and important opportunity for international cooperation in economic development and I would like to see the United States be part of it.

Senator SYMINGTON. Would you include Cambodia?

Secretary RICHARDSON. Yes.

Senator SYMINGTON. I have made a study of this, as my colleagues know for some 9 years of balance of payments, and we have put out about \$160 billion in aid in various forms to Europe since World War II and as you know we have a very heavy budget and a very heavy continuing unfavorable balance of payments.

Do you think that we can—let me put it to you this way. Do you think we can continue to first destroy these countries and then build them back and at the same time, handle all those problems which you, as a former Secretary of HEW know are so demanding in this country, do you think the economy can stand both?

Secretary RICHARDSON. That, of course, is a very tough problem and where we are going to get the resources to do a lot of these things is the kind of thing that can only really be dealt with at the time.

But I think that it ought to be possible for the United States, as part of an international effort to contribute to the economic recovery of these areas, and I think it would be to the benefit of the world as a whole for this to take place.

I would think that—if you look at all the difficult problems that lie ahead for the United States and the world certainly in my view, one of them the most—

Senator SYMINGTON. My question is: Can the American economy continue to run with these very heavy deficits for the first time we have heavy unemployment and at the same time, we have steadily increasing inflation, we are also making offers, for example, in oil to other countries that run into the billions, considering them which would still further create an unfavorable balance. You mentioned Japan—there

was a time when we were very friendly with Japan because our balance in the private sector was very favorable. Now, as you know, it is not favorable, and so I am wondering, you immediately picked up the question of the Senator from Virginia about North Vietnam, and I have seen all these countries and I know what will have to be done, and I have also seen the countries, the cities in my State, some of them are in very bad shape, and some of the small towns are in very bad shape. Let me put this question to you. Do you not think that a sound economy is important to true national security?

Secretary RICHARDSON. Of course.

Senator SYMINGTON. Do you believe we can follow a policy of rebuilding these countries after we destroy them and handle the problems of the people at home and at the same time maintain a sound economy?

Secretary RICHARDSON. I think we ought to be able to do some of it. I think that the role of the United States in rebuilding, helping to rebuild countries that were devastated in World War II, and I think the role we played in Korea, South Korea, at least, have been constructive, valuable, and I think an appropriate matter of pride for the United States. I think the results have on balance contributed to our own economic development rather than otherwise because—

Senator SYMINGTON. Then, the answer to my question is, if we can do both, is yes; is that correct?

Secretary RICHARDSON. Yes.

Senator SYMINGTON. Thank you, Mr. Secretary.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator.

Senator Tower.

Senator TOWER. No questions.

The CHAIRMAN. Senator Byrd.

Senator BYRD. Thank you, Mr. Chairman.

Mr. Richardson, on December 30, Deputy Assistant Defense Secretary Jerry Freidheim issued a directive prohibiting all DOD personnel, civilian or military, of all ranks, from commenting on the peace negotiations, on the resumption of bombing, or on any other aspect of the Vietnam war.

My question to you is: Do you perceive any danger of a first amendment, free speech violation in this directive?

Secretary RICHARDSON. I cannot say there is no danger. I think on the other hand, given the role of Defense Department personnel in those circumstances, and I will not rehearse the factors bearing on the delicacy of the situation from the negotiating standpoint, that for Defense Department people to be asked to keep their mouth shut on this kind of a thing was justified.

Senator BYRD. This directive went beyond the question of peace negotiations. It dealt with activity in Southeast Asia. Do you, as the incoming, presumably the incoming Secretary, feel that military personnel should be instructed not to discuss the situation in Southeast Asia?

Secretary RICHARDSON. I think some distinction probably needs to be made as to—

Senator BYRD. I cannot hear you, sir.

Secretary RICHARDSON. Senator Byrd, I think some distinction probably should be made with respect to the circumstances of the discussion. I assume that Assistant Secretary Friedheim's directive was aimed at public statements or statements that might be used publicly. Insofar as it may in terms have gone beyond reference to the bombings and negotiations which were interrelated perhaps it went unnecessarily far, although at that particular time those were the major aspects of the situation in Southeast Asia as to which anybody might be expected to comment.

Senator BYRD. Are you aware of, and if you are, would you, do you support 10 U.S.C. 1034, which forbids interference with the serviceman's right to communicate on any subject with Members of the Congress?

Secretary RICHARDSON. No, I think that ought to be maintained inviolate.

Senator BYRD. Is that in conflict or is the Friedheim directive in conflict with that?

Secretary RICHARDSON. No, I do not think so. I am sure it was not intended to be. What he was concerned with, certainly, was a confusion of voices at a very difficult time. He was referring to people who were in a position or might be in a position to be quoted or be on a radio or television program or something like that; I am sure he did not intend to prevent individuals from communicating with their Senators and Congressmen.

Senator BYRD. This directive was all inclusive—apparently, it went to all military personnel and all civilians. Do you think perhaps it went too far?

Secretary RICHARDSON. If anyone thought that it meant that they could not write or talk to their Congressman, I would want to find out if anybody so interpreted it.

Senator BYRD. You would not favor such an interpretation or you would not favor such a directive?

Secretary RICHARDSON. No, I would not.

Senator BYRD. Mr. Richardson, all the services of the Department of Defense have been reduced numerically in the last several years, but there has been no reduction in the U.S. commitments to foreign nations. As Secretary of Defense, do you feel it will be your responsibility to recommend to the President and the State Department, that these commitments, which we have to foreign nations, be reviewed with a view toward reducing them in the same proportion as the reduction in our Armed Forces?

Secretary RICHARDSON. As to the last part of the question, it requires the answer: No, I do not think that the reduction of our commitments would be proportional to the reduction in the numbers of personnel in the U.S. Armed Forces.

The Nixon doctrine, of course, enters here, and the Nixon doctrine represents essentially a statement of the manner in which the United States would expect to carry out its commitments toward other countries on a basis involving significantly less use of American military personnel than they may in the past have thought likely. I think the Nixon doctrine has been well accepted and understood by the countries with which we do have commitments, and this, then, means that we do

not need to have in being the force levels we would have had to have to honor our commitments on the pre-Nixon doctrine basis.

Senator BYRD. Do you feel that the United States can or cannot continue to play the role of policeman for the world?

Secretary RICHARDSON. I do not think the United States should play the role of policeman for the world, and I would not see the responsibilities of the United States to countries in some sense dependent on our commitments as necessitating any such role. I think our responsibilities, in effect, are to contribute to and have the capacity to help sustain a stable international structure, and I think that this means, in turn, that we must be able to honor our commitments, I see the significance of the Nixon doctrine as in major part clarifying for other countries what they could reasonably expect of us.

Senator BYRD. We have commitments to 44 different nations. Do you think those treaties and commitments should be reappraised, reviewed?

Secretary RICHARDSON. I think it is certainly desirable to continually reappraise the status of our obligations to other countries by treaty or agreement, but I do not think we ought to do it in a way that seems to create the impression that we are about to tear up a lot of these things. I think that would be a wrong impression to create.

Senator BYRD. If you are confirmed as Secretary of Defense, would you set in motion machinery to review these commitments we have, reappraise them, and submit to the committee your views?

Secretary RICHARDSON. I would be glad to. I would certainly want to review the commitments and communicate with the committee in any manner that the committee deems appropriate. I would not want to do this, as I said a moment ago, in a manner that seemed to imply that a whole new age, in a manner that seemed to imply that a whole new approach was being initiated. I think that the stability of the international structure is to a very large extent, psychological, just the way prices in a market are dependent on psychological elements, and I do not think we ought to, in effect, start a run on the market.

Senator BYRD. When I first put the question to you, my recollection of your response was that you thought that the commitments should be periodically reviewed, and then I asked you whether you, as Secretary of Defense, would initiate such reviews, and my understanding of your reply was in the negative.

Secretary RICHARDSON. No, no, I did not mean to give that impression. I said, yes, I thought that I should review these commitments. I think they should be the subject of continuing review as a matter of course. What I tried to say was that I do not think it ought to be done, and I do not think I should, in effect, communicate a signal that seems to suggest that, now that Richardson goes into the Pentagon, the United States is perhaps going to or is at the point of pulling back from a lot of existing commitments. That would be a mistake.

The CHAIRMAN. Senator, I am sorry, your time has expired.

Senator BYRD. Thank you, Mr. Secretary.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Hughes.

Senator HUGHES. Thank you.

The CHAIRMAN. Senator, if you will yield to me for a minute, I want a matter cleared. Mr. Clements, as you know, has been nominated as a

Deputy Secretary of Defense. As you know, the recent law passed permitted a second deputy. There was an understanding that there would be a designation about these two positions and that would be left to the administration in power, whoever it was. As I have understood, Mr. Clement's nomination is intended for the No. 1 or the first deputy, is that correct?

Secretary RICHARDSON. Yes.

The CHAIRMAN. So that you would involve—and each of them is highly important, I think—no delusion on the part of either. But it was decided before we passed the law that there would be this clarification—which I think was a good point made by the Senator from Missouri—so you designate Mr. Clements now as this first deputy?

Secretary RICHARDSON. I would certainly do so upon our being sworn in, yes, Mr. Chairman.

The CHAIRMAN. All right, thank you very much.

Senator Hughes.

Senator HUGHES. Thank you very much, Mr. Chairman.

Mr. Secretary, do you believe in equality for women in the services?

Secretary RICHARDSON. Yes, I do.

Senator HUGHES. I take it then, that you will support the legislation that was introduced last year and passed by the Senate, but did not get out of the House committee, to have equality for fringe benefits and so on for the women of the armed services of their country.

Secretary RICHARDSON. I am not familiar with the legislation. But it sounds right to me.

Senator HUGHES. If it looks right you will support it, is that right?

Secretary RICHARDSON. Yes.

Senator HUGHES. It ought to be an early matter and easy matter of consideration, I would think. Everyone seems to favor women nowadays.

I had one final question, I believe, in relationship to the drug and alcoholism problem in which I have been in running combat with the military for as long as we have been dealing with it. As you know, every member of the military who is discharged for drug abuse receives on his DD-214 discharge form a code number known as SPN-384, that identifies him to future employers as having been a drug abuser, no matter what type of discharge he receives nor any upgrading that he receives later. The Defense Department has refused to abandon this technique of stigmatizing forever veterans who misuse drugs while in the service. I would like to know what your feeling is in relationship to it.

Secretary RICHARDSON. I do not have a clear view of that Senator Hughes. As you put the question it sounds clearly wrong to stigmatize individuals in those circumstances. I would have to, before giving you a definite answer though. I would want to find out what justifications are supposed to underlie the practice.

Senator HUGHES. I did not mean to be unfair in the question so I will point out that the numbers are used for a hundred different SPNs but the SPN numbers are available and employers in large companies look at them and they readily identify what the coded SPN number means. We have had testimony time and time again from ex-servicemen who have been haunted by the fact that they might have

been arrested for smoking marihuana cigarettes 7 years ago or they might have been picked up with traces of heroin in a vial in South Vietnam 5 years ago, and it may go on to haunt them until they are 70 years old so far as I know. But if you will review it and if there is anyway to destigmatize this sort of thing in the policies of the Government at least, as I understand the overall policies of this administration, that has not been what was wanted.

Secretary RICHARDSON. I can only say in slight addition to my response, that it would take a pretty convincing argument to overcome the considerations that you have cited. It sounds wrong, but I have not looked into it, and I do not think I ought to give a definitive response without hearing whatever arguments may be advanced in justification of this practice.

Senator HUGHES. Well, I agree, Mr. Secretary, that you ought to be completely briefed and completely understand the total problem and then I hope we will have an opportunity to discuss it further.

Secretary RICHARDSON. Thank you, Senator.

Senator HUGHES. Mr. Secretary, also we find an examination of the budgets in relationship to alcoholism and drug abuse that there is a constant and continuing budget shortage. I am willing to fight for a budgetary fund to try to meet the needs on this and I believe the entire committee is, and I fail to see requests for funds coming in in adequate amounts to cover it. I hope you will make note of that in the budget requests and if you find there are shortages in your opinion, will you try to increase these areas of requests?

Secretary RICHARDSON. Yes.

Senator HUGHES. Seldom does a committee member ask you to increase a request, but I am in this instance.

Secretary RICHARDSON. I am used to it, Senator Hughes, I am used to the requests for increases in my present job.

Senator HUGHES. In HEW, yes.

Secretary RICHARDSON. I think I am going to have to get used pretty soon to the opposite. I certainly will look at it.

Senator HUGHES. Mr. Secretary, if I can get back to some questions that I believe Senator Thurmond asked about the Reserve and the National Guard, I am concerned about the equipment in the National Guard. Senator Goldwater mentioned the junk that some of the men were flying presently in combat but if you look at some of the junk that is being used in the National Guard as a secondary ready force and we expect them to be ready in the reduced numbers of men and manpower, is it your intention to see that the equipment is modernized, upgraded? With the reduction of forces in Asia and the reduction of forces in this country, there is bound to be modern equipment that should be utilized for the National Guard and Reserve forces to the best degree. Can you commit yourself to seeing that is reviewed and be done if possible?

Secretary RICHARDSON. Yes.

Senator HUGHES. Mr. Secretary, there is also a policy in relationship now to what appears to be the President's special action office, a relationship with the Pentagon, to use enforced urinalysis screening of military dependent children in foreign nations. This raises a number of questions constitutional questions, questions of local law in the country as you know, of the diplomatic service, questions of turning

over the information to those countries, in relationship to American military dependents and so on. I would like to ask you to completely review that, and if it is such policy being developed that you would give it your great concern.

Secretary RICHARDSON. I will do that, Senator Hughes.

Senator HUGHES. Mr. Secretary, to return to my question of yesterday which I do not want to pursue too far because I think you obviously have done the best you can with a restrained reply, I am concerned about the military and the civilian control. There is obviously an area that we found out in the Lavelle case where the civilian control of the military in my opinion, failed and where the falsification procedures deceived everyone on up the line.

We received statements from the Chief of Staff of the Air Force and from the Chairman of the Joint Chiefs that they could not assure this committee that this would not happen again. We have been involved in North Vietnam in the most massive use of destructive force since the dropping of the atomic bombs in World War II. It is my personal opinion that this illegal bombing a year ago in November, during the same time of delicate peace negotiations between Dr. Kissinger and Le Due Tho, could well have precipitated the halt of the peace talks at that time and that has caused this war to go on for another year and more at this point. We have discussed the question of the lack of severity which was used in disciplining those officers, who disobeyed orders, violated the military code, several sections calling for court-martial. It was also related to us by the Chairman of the Joint Chiefs that there was no communication from the President of the United States or Dr. Kissinger, in fact, that these delicate negotiations were even going on at that time, no coordination within the civilian sector and the military and no control in the civilian sector of a military general commanding the 7th Air Force at that time.

In the Office of the Inspector General, in the civilian sector, somehow we have got to assure the people of America that this cannot and will not happen again. The only force that we cannot use yet in this country that has not already been used is nuclear weapons. We have gone to the brink of the ultimate warfare that all of us have dreaded for a quarter of a century. How, Mr. Secretary, do you propose to see in the structure of the military that this does not happen again?

Secretary RICHARDSON. I can only assure you, Senator Hughes, that I would do my utmost to assure this. I am not in position to describe the means whereby I would seek to accomplish it.

The problem involves in the first instance, of course, a continuing and current information about the exercise of the command process. This was a question that we touched on yesterday. I would need to begin by finding out more about the processes whereby not only orders are transmitted but the execution of these orders is monitored, and I would expect, whether in this area or in the situation involving acquisition or any other case, where it could be determined that information had been withheld about what was being done—where it could be established that this was so—I think we should crack down very hard and very firmly in order to get across as clearly as possible that we really mean it, and I can assure you that I will be on the alert for and seek to create mechanisms that are as efficient as possible in picking up any evidence of this kind of lapse, because I think that it would be

salutary to the system to see that one or more such instances did receive very rapid reaction.

Senator HUGHES. Mr. Secretary, you and your deputies who come before us for confirmation are the only hold that we in the Senate have as to whether, if another General Lavelle surfaces in the military structure, that this will not happen again and that a slap on the wrist will not occur again. As you review the most recent history of the Pentagon, the Air Force, and those involved in the Lavelle matter, do you believe that those acts taken are severe enough to call to the attention of every commander in our military services and every officer in our services, that maybe you can get by with this incident, maybe you can bomb something that you want to bomb, whether it is in reliance on orders, maybe you can take this chance again? I see the Attorney General's Office demanding capital punishment for every conceivable crime in the book and then the military turn around and brushing someone's hand with a feather for breaking every rule in the book. Please help reconcile my conscience, Mr. Secretary. How can I reconcile those difference between the civilian sector and the military or how will you do this? You are our only possibility of help.

Secretary RICHARDSON. I can only answer in general terms and essentially by restating what I just said, I do not believe I should go beyond my earlier testimony with respect to the individual case of General Lavelle. As to that I can only repeat that I will review it. But I cannot, not having made the kind of inquiries that you have made, give you a response which, in effect, rests upon the same conclusions about what he did and the degree of his guilt that you do.

The CHAIRMAN. All right, gentlemen, may I interrupt? Your time has run over.

Senator Nunn.

Senator NUNN. I have no further questions.

The CHAIRMAN. Senator Tower.

Senator TOWER. No questions.

The CHAIRMAN. Senator Byrd.

Senator BYRD. Thank you, Mr. Chairman.

Mr. Richardson, when differences arise between the various members of the Joint Chiefs of Staff, and the Secretary of Defense, will the individual members of the Joint Chiefs of Staff be free to discuss these differences under questioning by this and other appropriate committees of the Congress?

Secretary RICHARDSON. Yes, I believe they should be.

Senator BYRD. Do you feel, Mr. Richardson, that the members of the Armed Services Committees are entitled to receive the same information in hearings or briefings as you as Secretary of Defense would give the President regarding any given situation so that we, as co-equal branches of the Government, would play our constitutional role in arriving at decisions in national security affairs?

Secretary RICHARDSON. In general, yes, I certainly believe that.

Senator BYRD. During the last session the Congress authorized the Defense Department an additional Deputy Secretary of Defense. Have you planned to utilize the newly authorized deputy or to make it easier for you to explain, how do you plan to utilize each of your deputies?

Secretary RICHARDSON. As to this, we did touch on this a little earlier this morning. I do not think it would be possible to try to define the role of a second deputy until after Mr. Clements and I have, in effect, defined our own respective roles. The idea of a second deputy is, of course, a relatively recent one, and we need, in the first place, to see in what ways our own respective capabilities need to be complemented or supplemented by a third person, and so we are agreed that we ought not to try to decide that until we have had a period working together first.

Senator BYRD. In other words, it is something that you have not yet made a decision on? You will make a decision on that later.

Secretary RICHARDSON. Right.

Senator BYRD. As a member of the United Nations, the United States can, under the charter, be called on from time to time to furnish peacekeeping forces as part of the United Nations military force. Do you feel that the Department of Defense should specifically earmark forces which are constantly alerted and reserved for this particular activity?

Secretary RICHARDSON. No; I do not.

Senator BYRD. The philosophy of the United States has always been to equate the strength of the United States in national security affairs by combining the active duty military forces with the Reserve Forces and the National Guard to arrive at the total strength of our military forces. What do you personally view as the role of the Reserve Forces and the National Guard in contributing to the national security of the United States?

Secretary RICHARDSON. They should, I believe, be regarded as part of our total capability. This means, therefore, that the specific types of units that are created and the forms of training that are provided should fit into and complement the Regular Forces. I said earlier on this subject today that I would like to know more about what is now being done to call upon Reserve Forces to flesh out regular units at a time of national emergency or mobilization, and I would like to see whether it may not be possible to move further in that direction. It seems to me, on the face of it, that if we are in the position to make use of Reserve Forces in this way that we could reduce the lag between mobilization and combat use of such forces.

Senator BYRD. Do you feel the Reserves and the National Guard have an important role to play?

Secretary RICHARDSON. Absolutely.

Senator BYRD. Mr. Richardson, several witnesses before this committee in the past have indicated that the total security of the United States included the strengths of our allies. Do you feel it is realistic for us to count on other countries joining us in military operations?

Secretary RICHARDSON. Yes; I do. Obviously, the role of any other country in a given situation would depend on the circumstances, but I think it is realistic for the United States to cooperate, as we have with our NATO allies, and to engage in joint exercises and to develop plans for the joint use of our forces.

Senator BYRD. That was not my question. My question is, do you feel it is realistic for us to count on other countries joining us in military operations?

Secretary RICHARDSON. I am sorry, Senator, I thought I was responsive. I do not think we should count on any other country automatically joining us under any and all circumstances. I think it is reasonable for us to plan to meet various kinds of contingencies in cooperation with our allies on a basis that assumes overwhelming probability that they would join with us.

Senator BYRD. We would not reach that conclusion, would we, from the support we got from our treaty partners in regard to Vietnam?

Secretary RICHARDSON. That was not a situation that triggered any treaty obligation—well, strike that.

Senator BYRD. Let us start again. Southeast Asia Treaty Organization, Secretary Rusk told the congressional committee time and time again was the main reason for the United States being involved in Vietnam.

Secretary RICHARDSON. This is one I would have to look into. Of course, a number of countries in the area did contribute to a degree, but you would have to—this was a situation, odd in many respects, and on the question of the U.S. participation itself.

Senator BYRD. Australia and New Zealand participated, I think, to probably the greatest extent they reasonably could be expected to. The Philippines, while they technically participated, in my judgment, did not really participate. There were 1,900 engineers involved for which we paid for, but that is a minor point. But the big nations did not participate. I am correct in asserting, am I not, that Great Britain did not participate?

Secretary RICHARDSON. I believe you are correct.

Senator BYRD. France did not participate.

Secretary RICHARDSON. No.

Senator BYRD. Pakistan did not participate.

Secretary RICHARDSON. No. But, as I say, I think the way in which that situation evolved was certainly not the kind of thing that the treaty in the first instance would have been likely to contemplate, and I really am not versed enough in the history of that situation to make a broad judgment about it as to whether or not there was a treaty obligation on the part of those countries.

Senator BYRD. You were in the Department of State as Under Secretary, and the immediate Secretary prior under whom you served, who stated time and time and time again, it was the No. 1 reason for being involved in Vietnam. We will go to another question.

The United States has expended more than \$750 billion since 1961 on defense, yet the Soviets coming from behind have already equaled, if not surpassed U.S. military strength. Do you see this reversed military power situation as threatening danger to this Nation?

Secretary RICHARDSON. I think the situation is one that we should regard very seriously in terms of the U.S. force levels and capabilities that are required for the future, and obviously, this is a matter as to which I will want the continuing advice, ideas, and support of this committee.

Senator BYRD. Do you believe, Mr. Richardson, that we are being, we are on the threshold of being, outclassed militarily by the Soviets?

Secretary RICHARDSON. This, I think, is a question that is hard to answer in any categorical way. I think that there are some weapons system developments in the Soviet Union that create very real danger,

subject to the willingness of the United States to develop its own weapons systems and to maintain its technological capability. All of these things are subject, of course, to the SALT negotiations.

Senator BYRD. There have been statements attributed to you to the effect that Communist goals and purposes have so changed that our earlier concerns about them no longer apply. If this is a correct statement of your beliefs would you comment for the benefit of the committee?

Secretary RICHARDSON. I have pointed out, Senator Byrd, that the monolithic structure of international communism has fractured, that the force of nationalism has gained greater strength in Communist countries, as it has in many other countries, too, and that these developments have significantly changed the international situation.

I have also pointed out, however, repeatedly, that we should not allow ourselves to be lulled by the belief that there has been a change in Soviet intentions, but that we should keep our eyes firmly fixed on Soviet capabilities, and that we should not enter into any action that would reduce our strength that is not the product of a hard-headed process of bargaining, in which both sides are able to take action reducing force levels on a basis that leaves each in a position from its own standpoint, of continuing security. I have, therefore, consistently opposed unilateral actions to reduce forces in Europe and elsewhere, where to do this would put us in a position of inferiority. I have often stated, in fact, I probably have here—I would like to read from one of my speeches, since you brought up—

The CHAIRMAN. I am sorry to intrude, but your time has run over now Senator Byrd. Do you have more questions?

Senator BYRD. I have a few more questions but I doubt if I could complete it by 12:30.

The CHAIRMAN. Senator Hughes, do you have any more questions?

Senator HUGHES. Yes, Mr. Chairman, I will not be too long this time. I believe I can conclude my questions. I would like to ask, Mr. Secretary—

The CHAIRMAN. Excuse me, I was not calling on you just now. I need to make an announcement. We will make some further effort here now, but if necessary we will recess now and resume later so that every member will have full opportunity to ask all the questions he wishes. I do want to especially thank and commend the audience we have had here this morning for their intense interest in this proceeding. I thank the press and officers on duty here and I want to put their names in the record at this place. We had perfect order.

OFFICERS ON DUTY (JANUARY 10, 1973)

Officers.—K. D. Riffin, R. L. Hall, R. E. Jones, J. C. Allbritton, F. P. Boscher, D. G. Connell, Sgt. L. R. Hill, Lt. J. O. Blackston, Capt. W. W. Kirby.

All right, Senator Hughes.

Senator HUGHES. Mr. Secretary, I don't know whether this question has been asked or not, and if it has I apologize but I just ask it as a matter of record, it should have been asked if it has not.

Is it your intention as Secretary of Defense to put forth every endeavor and every effort to guarantee equality of opportunity, to guar-

antee that blacks and other minorities in the military will have an equal opportunity with whites, and that includes the officer capacity, advancements, noncommissioned officers, housing, job assignments, and everything related to it, and do you commit yourself to this?

Secretary RICHARDSON. Yes; I reread again this morning the Department's declaration on human goals most recently republished on the back of Secretary Laird's final report, and I certainly fully subscribe to that.

Senator HUGHES. Mr. Secretary, what I am about to say is directed to the chairman, but also for your information because I feel in fairness that I should make this statement. I believe you will make a good Secretary of Defense, and barring any disclosures in executive session in relation to your personal investments and finances or other encumbrances that might exist, it is my intention to vote your nomination to the floor when the committee meets.

I do, Mr. Chairman, want to say, that I reserve my rights on the floor to oppose this nomination and all other nominations not for reasons of testimony that came before us but because I believe that the Senate has no other method or means to stop this war in Southeast Asia than halting the business of government to whatever extent is possible. And if there are others of the Senate who feel as I do, I intend to join in that effort. And I inform you, Mr. Secretary, and the chairman of this committee there is nothing personal whatsoever in it except the exercise of individual senatorial responsibilities that I deem may call for this if there are enough in the minority that would respond to it.

Mr. Chairman, that is made as a matter of information, and to you, Mr. Secretary, the same.

Mr. Chairman, I spoke to the lady yesterday who stood up in the audience and tried to speak, and I supported you in not allowing her to speak in this position in the Senate and I still do. She requested that I ask permission for an opportunity to speak to this committee. I do not believe that this committee has jurisdiction in the areas in which she was requesting to speak, but I did say I would ask permission and I so formally request permission. If you deem as chairman it would be within the jurisdiction of this committee to hear her for a limited period of time.

The CHAIRMAN. Thank you, Senator, for your suggestion. We will now proceed to finish our questioning.

Senator Byrd, Senator Nunn, do you have anything?

Senator Byrd has additional questions.

Let me announce, we were planning to take up the matter of Mr. Clements' nomination in open hearing this afternoon, but it develops that the minority members—and they are a very important part of this committee—have to attend a caucus of the minority party this afternoon. It seems we will be compelled to defer the hearing on Mr. Clements' nomination until tomorrow afternoon.

I hope we can conclude the open testimony on Mr. Richardson, and then recess on his nomination until we have closed hearings. We will take up the nomination of Mr. Clements tomorrow afternoon at 2:30 in this room, if it is available, and unless developments preclude it.

All right, Senator Byrd.

Senator BYRD. Mr. Chairman, it is 10 minutes of 1. What do you have by way of a time consideration?

The CHAIRMAN. Senator, in view of that we had better just take a recess.

Senator Byrd is going to require some time to conclude his matters.

Since we have this conflict, the Chair proposes after a conference with Senator Tower, who is chairman of the Policy Committee, that we resume at 3:30 this afternoon.

Mr. Secretary, is it possible for you to be back at 3:30 this afternoon, with the possibility of concluding at that time?

Secretary RICHARDSON. Yes, I can be, Mr. Chairman.

The CHAIRMAN. It will take over an hour if we try to conclude now, and they want to be here. Is that suitable to you, Senator Byrd?

Senator BYRD. Yes, sir.

The CHAIRMAN. That is about the best way we can work it out.

Senator TOWER. Mr. Chairman, is it then likely to get Mr. Clements either tomorrow or Friday morning?

The CHAIRMAN. Yes. I think we can work toward that end—Mr. Clements tomorrow afternoon or Friday morning.

Thank you very much. The committee will take a recess until 3:30 p.m.

(Whereupon, at 12:50 p.m., the committee recessed, to reconvene at 3:30 p.m., of the same day.)

NOMINATION OF ELLIOT L. RICHARDSON TO BE SECRETARY OF DEFENSE

WEDNESDAY, JANUARY 10, 1973

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C.

The committee met, pursuant to recess, at 3:30 p.m. in room 318, Richard B. Russell Senate Office Building, Hon. John C. Stennis, chairman.

Present: Senators Stennis (presiding), Byrd, Jr., of Virginia, Hughes, Nunn, Thurmond, and Saxbe.

Also present: T. Edward Braswell, Jr., chief counsel and staff director; John T. Ticer, chief clerk; R. James Woolsey, general counsel; George H. Foster, Jr., Labre R. Garcia, John A. Goldsmith, Don L. Lynch, professional staff members; Nancy J. Bearg, research assistant; Doris E. Connor, Dorothy Pastis, clerical assistants; Ben J. Gilleas, director of investigations, Preparedness Investigating Subcommittee; and Edward B. Kenney, professional staff member, Preparedness Investigating Subcommittee.

The CHAIRMAN. The committee will come to order.

Mr. Secretary, are you ready?

Secretary RICHARDSON. Yes.

The CHAIRMAN. Are you ready?

Senator BYRD. Yes, sir.

The CHAIRMAN. All right, we will resume our consideration and examination, and I call on Senator Byrd.

Senator BYRD. Thank you, Mr. Chairman.

First, I would like to say I do not like to take so much time of the committee and of the nominee.

The CHAIRMAN. That is entirely all right. We appreciate your sentiments but that is what we are here for. Proceed as you see fit, Senator.

Senator BYRD. I have reached the conclusion that these confirmation hearings should be more than perfunctory, and we do need to know in a position of this great importance more detail than I think has been available on the particular nominee.

Mr. Richardson, the Soviets are committing greater resources than the United States to strategic offensive and defensive weapons. Do you believe that the United States is committing sufficient resources to our strategic offensive and defensive weapons?

**STATEMENT OF ELLIOT L. RICHARDSON, NOMINEE TO BE
SECRETARY OF DEFENSE—Resumed**

Secretary RICHARDSON. I would want to take a new and more thorough look at this question should I be confirmed, Senator Byrd, but I believe, from what I know of the budget requests for fiscal 1973 and the upcoming fiscal year 1974, that if these are approved by the Congress, and if we continue along the lines that have been planned in weapons development and replacement, we should be in an adequately strong position.

Senator BYRD. Should Health, Education, and Welfare enjoy a priority higher than national defense?

Secretary RICHARDSON. No.

Senator BYRD. If both superpowers have an adequate retaliatory capability, do you believe the Soviet Union will attempt to attain a first strike capability?

Secretary RICHARDSON. On that score, Senator Byrd, I can only say that my impressions of the results of SALT I and negotiations would suggest that the Soviet Union realizes that to seek a preemptive first strike capability would be seriously destabilizing. The very possibility in fact, of a SALT agreement depends, I believe, to a large extent on the acceptance by each side of the understanding that the launching of a first strike would be followed by assured destruction from the other side through a second strike, and so—I think I should stop there.

Senator BYRD. I take it that you do not feel that the Soviets are seeking a first strike capability.

Secretary RICHARDSON. I should say, I think, that from what I know at this point the evidence seems to me to point to a conclusion that they are not doing so or have not done so to this point. But I think it is obviously a matter that should be watched very closely, as indeed it is, I believe. Soviet testing and construction programs weapons development, so far as this can be inferred, should be looked at constantly to try to make assessments of this kind. But I think we have to base our own decisions primarily upon what we know of their present and likely capabilities, and on that basis, I believe that from what I know of our present plans that these would keep us in a position of clear sufficiency.

Senator BYRD. Secretary Laird has testified before this committee and before the House Armed Services Committee that he felt that the Soviets were seeking to attain a first-strike capability. Your reply to my previous question seems to me, it puts your views different from his in that regard.

Secretary RICHARDSON. I know that Secretary Laird has been concerned that the development by the Soviet Union of the SS-9 might mean that they were pursuing a first strike capability, and if the Soviet Union appeared to be in the process of indefinitely expanding the number of its very heavy SS-9 missile launchers one would, I think, be justified in worrying seriously about the possibility that they were pursuing a first strike capability.

Senator BYRD. But you feel that at this point it is not—one does not need to, to use your words, to worry seriously about it.

Secretary RICHARDSON. I think the fact that they accepted a limitation on the number of SS-9 launchers in itself would suggest that they were not pursuing that objective, at least by that means.

Senator BYRD. Should the United States have a policy of military superiority over Russia?

Secretary RICHARDSON. This again, I think, gets us into questions of comparing of weapons systems capabilities. There are, of course, substantial asymmetries in the weapons mix of each side, and I think that the terms that we ought to use are those of sufficiency, technological superiority, continuing alertness to developments, and the willingness to commit resources to assure that we do not lose a position of sufficiency and that we are not at any point placed in a position of inferiority.

Senator BYRD. You are familiar, of course, with the amendment offered by Senator Jackson to the SALT agreements cosponsored, incidentally, by Senator Stennis, myself and others. Do you favor the Jackson approach, the percentage approach which it is now?

Secretary RICHARDSON. Yes; I do, although I think that I would want at another time in an executive session to discuss with the committee the question of its interpretation. This, I think, may well arise in the course of future SALT negotiations, depending upon how these progress.

Senator BYRD. Of course, the thrust of the Senate action was that our negotiators should be certain that any agreements which are made by or at SALT II, that we should be certain that the United States is on a parity with the Soviet Union. I assume that you—well, I better not assume, I will ask you is that your view that any agreements made at SALT II should provide for parity on the part of the United States, with the Soviet Union in conformity with Senate Resolution 241, the so-called Jackson amendment.

Secretary RICHARDSON. Yes; I certainly agree with that. We should insist on no less than parity. The only question that could arise might involve the question of equality in intercontinental ballistic missiles.

Senator BYRD. That is right. That is what the Jackson resolution addressed itself to, and which in the Jackson resolution, under the Jackson resolution, that would be required if the negotiators are to carry out the intent of the Senate in adopting the Jackson proposal.

Secretary RICHARDSON. What is not clear to me, Senator Byrd, is the precise understanding of the Senate with respect to the ability of the United States to be able to deliver strategic armaments on Soviet soil by means other than intercontinental ballistic missiles. And I am not sure just where the Senate or this committee would feel that equality applied.

Senator BYRD. The equality applies, I will read just a part of this resolution, then I will ask the chairman if we may put the text of the resolution into the record.

The CHAIRMAN. Yes, without objection.

Senator BYRD. "Urges and requests the President to seek a future treaty that would not limit the United States to levels of intercontinental strategic forces inferior to the limits provided for the Soviet Union."

As we know in SALT I the United States is in an inferior position numerically and this proposal, which deeply concerned the Senate, would provide for parity in regard to intercontinental ballistic missiles.

Secretary RICHARDSON. I think we have probably pursued this as far as it would be appropriate to do at the moment, Senator, but the problem is in the distinction between intercontinental ballistic missiles

and intercontinental strategic forces. I do not believe, in other words, that the United States in intercontinental strategic forces did accept an inferior position in SALT I.

Senator BYRD. Without arguing that point, let's address ourselves to SALT II as to whether the United States, if I may use the words urges and requests the President to seek a future treaty that would not limit the United States to levels of intercontinental strategic forces inferior to the limits provided for the Soviet Union.

Secretary RICHARDSON. I agree with that proposition, as I said in the beginning. But I would add that I felt that at some point it might become important to work with the committee on an understanding of what is meant by that phrase. But the objective, I think, clearly is one that we should pursue and that I would seek to uphold.

Senator BYRD. Should we install an antiballistic missile defense system around Washington?

Secretary RICHARDSON. That is a question on which I would have to reserve at this point, Senator Byrd. I know that we have retained under the ABM treaty, the right to do this, but whether we should do it or not is a matter on which I would need further information before being able to make a judgment.

Senator BYRD. Should we use existing technology to improve the accuracy of our ICBM's and our submarine-launched missiles?

Secretary RICHARDSON. I would have to give the same answer to that, Senator Byrd. I know that this is a difficult and delicate question, and I would need more information.

Senator BYRD. Are we spending enough money or too much for military research and development?

Secretary RICHARDSON. Again I have no sufficiently informed basis of judgment. The question of how much is enough, of course, underlies many of the most difficult problems confronting the military forces of the United States in the years ahead. To be prepared against every possible contingency would involve substantially more resources, presumably, than the Congress or the people are prepared to commit to military purposes, and to starve them, on the other hand, invites serious risks.

On the question of whether we are spending enough on R. & D. or whether we are spending it in the right ways, I would have to know more. I do know that this is an area in which the Congress has tended to cut appropriations requests, and in general I believe that it is an area where we should make sure that we are spending enough because I believe that, in terms of the stability of the balance between the United States and any potential adversary, the advance in technology, weapons capability is probably the central, most important single element, assuming relative stability in force levels.

Senator BYRD. Using just round figures, we are spending about \$8 billion on research and development, and without getting into the detail of where that \$8 billion goes, is it your feeling that that is about the level of spending we should designate for that?

Secretary RICHARDSON. I really don't know enough to know at this point whether I think it ought to be more or less or how much more or how much less. It is certainly an area in which more could be spent. On the other hand, we are going to face very severe fiscal stringencies, and I think as a practical matter as against any abstract level of desirabil-

ity, that my real concerns will be with trying to assure we get the maximum output for the dollars we do spend within a range more or less like that. I do not believe it is going to be practical to expect that we could get much more than that even if we wanted to.

Senator BYRD. Should DIA and CIA provide independent intelligence estimates on subjects involved in our national security?

Secretary RICHARDSON. I think they should certainly operate on a basis in which they give their independent best judgments, and I think that if there is a split in the final assessment that it should so appear. In other words, I don't think that differences should be buried in a homogenized assessment, and I think it is desirable that there be independent sources of information and analysis as part of the whole intelligence system.

Senator BYRD. That, in essence, is my next question as to whether we should rely on a single intelligence source or whether we should have more than one source.

Secretary RICHARDSON. I think we should have more than one, Senator. I think there should be an overview that takes into account the allocation of resources and money in order to eliminate unnecessary duplication so that, in other words, where there are independent sources, this is deliberate and not the result simply of a failure to get rid of unnecessary overlap.

Senator BYRD. We now have, of course, the CIA and DIA and each of the services, each has its own intelligence-gathering facilities. Do you feel perhaps we should tighten up on the intelligence gathering by having more than one source but not have as many sources as we have now?

Secretary RICHARDSON. I think—my impression is—that there may well be opportunities to tighten up and, without reducing the intelligence community or the President and civilian leadership of the Pentagon to too narrow a source base, that, working with Mr. Schlesinger, should he also be confirmed, we can hopefully bring about efficiencies without reduction of capability.

Senator BYRD. Should we continue to install multiple independently targeted reentry vehicles in our ICBM's and submarine launched missiles?

Secretary RICHARDSON. I believe that until and unless there should be some international agreement to the contrary, and that agreement would have to take into account all the things we have already discussed, we should continue to do so.

Senator BYRD. We should continue the MIRV program?

Secretary RICHARDSON. Yes.

Senator BYRD. How can we insure that our Armed Forces get the quality and the quantity of manpower they need without the draft?

Secretary RICHARDSON. Here there will be needed, I think, the kinds of special incentives that the administration has already requested and that will be coming before this committee again soon.

Senator BYRD. You are speaking now about recruitment incentives.

Secretary RICHARDSON. Yes, we will have to continue to improve our recruitment processes. I think, first of all, we need to take measures to enhance respect for and prestige of the military services in order to make these careers attractive.

Senator BYRD. Would you consider it appropriate for a foreign officer to be the supreme allied commander in Europe?

Secretary RICHARDSON. This is not a question I have ever had occasion to consider. I wouldn't want to rule on it out of hand. I think, on the other hand, the factors that have up to now, so far as I know, led to the selection of Americans are very substantial.

Senator BYRD. You have had a keen interest in NATO, just as I have, and you have had a keen interest in NATO, and you mentioned a moment ago that you would not rule out a foreign officer serving as supreme allied commander. How then would you handle our tactical nuclear weapons.

Secretary RICHARDSON. I believe this gets into an area in which I would need to be briefed further than I am, but I think in general the chain of command would—I think I had better stop here, Senator. I don't believe I ought to go further on this without further information and perhaps in an executive session.

Senator BYRD. Some people are saying that the attack carrier has become too expensive and we should stop building them. What are your thoughts in this regard?

Secretary RICHARDSON. I don't really know enough to give you a good answer on that. I think in general that this is an example of the kind of problem that arises at many other points where we have to confront the problem of cost and the problem of capability. I think we should not let ourselves get into a position where the costs of our weapons systems or carriers or planes are such that we are forced to shrink our forces in being to a point that radically reduces their flexibility. This leads me to believe that we have got to look for—

Senator BYRD. Excuse me, I didn't understand that, you would have to do what?

Secretary RICHARDSON. This leads me to believe we have got to look very hard for ways of maintaining force levels and flexibility while seeking economies in materiel, equipment, and ships. This may mean that we ought to pursue further the course that gives us a nucleus of highly sophisticated weapons and ships with a larger number of lighter and less expensive types of equipment.

Senator BYRD. Your reply impresses me, and maybe incorrectly, but impresses me, that you are not very keen on the carrier program.

Secretary RICHARDSON. No, I wouldn't want my reply to be pressed quite that far. I really need more knowledge about that.

As you have been able to, I think, gather from my answers to other questions, I feel that I have some competence derived from my service in the Department of State and with various National Security Council bodies in political-military issues such as SALT, but I am by no means well informed about weapons systems or ships or planes or force-level numbers. These are all things that I would need—will need—to learn a lot more about.

Senator BYRD. I realize that in the detail of many of the more complicated systems, but I would have thought that in regard to the aircraft carrier that you would certainly have a view on that. You will be coming before the committee pretty shortly proposing expenditures in regard to this matter. The carrier, the last carrier that was approved, will cost \$992 million. The two previous ones cost \$660 million—I am using round figures—and if there is any doubt in the mind of the Sec-

retary of Defense, that doubt should be expressed to the committee at a very early date, it would seem to me. It is a billion, in round figures, a billion-dollar ship.

What I am really seeking is just a little information as a member of the committee: What is your general view, not in detail but your general view, as to the importance or lack of importance of the aircraft carrier?

Secretary RICHARDSON. Responding in the terms of your question, and with the understanding that I am only giving you a general view, I believe that we do need substantial carrier capability. I believe that this contributes considerably to our ability to respond to a range of critical situations. But when it comes to the question of how much carrier capability, and whether we should build more of these very large carriers and if so, how many more, I get beyond the point of competence in my present judgment because I would need to be in a position to consider what we would do with the money if we used it for something else. We are going to have some very tough tradeoffs, I think, among competing choices, and since that is the kind of thing that I will be confronting, I can't give you now an answer that would have to take into account these other probabilities.

Senator BYRD. Let me phrase it one other way and then I will go to another subject: The third of the *Nimitz* class has been approved. I would assume that any doubts you might have in going—in additional aircraft carriers would not apply to the third of the *Nimitz* class or the fourth nuclear carrier.

Secretary RICHARDSON. Yes. Your assumption is correct. I am glad you asked that additional question. I would not, based on what I know, expect to ask the committee to roll back or reverse its previous judgment based on the requests and the evidence previously presented to it.

Senator BYRD. Whatever doubts you have extend to construction of carriers over and above the three which are now under construction.

Secretary RICHARDSON. Yes; that is correct.

Senator BYRD. Do you believe that the *Trident* submarine should be accelerated—

The CHAIRMAN. Excuse me, Senator, before you skip to another subject, may I see if the other Senators have any questions?

Senator BYRD. Yes.

The CHAIRMAN. I believe that would bring us to Senator Thurmond. Senator, do you have any questions?

Senator THURMOND. Thank you, Mr. Chairman.

Mr. Secretary, I just wanted to mention this to you: Reference was made to a carrier. Some years ago when consideration was being given to building the *John F. Kennedy* carrier, a number of people, military experts, and a number of members of the Armed Services Committee, suggested it be a nuclear carrier but this was not done, and a conventional carrier was built. As a result, of course, this carrier has to go in for fuel and so forth and it is not nearly so useful as a nuclear carrier. If other carriers are to be built as the years go by, I was going to respectfully suggest to you that you consider building nuclear carriers. We are in the nuclear age now; the age of the conventional carrier is outmoded, and I hope you will give serious consideration that every type of weapon be the most modern of its kind. Speed is essential now in warfare. We don't have time to get ready; we will

have to be ready when an attack comes. The carrier, the nuclear carrier, is much faster and it can travel in a much greater distance without refueling, it is more economical in the end, and I would certainly hope that you give the most serious consideration to that.

Secretary RICHARDSON: Thank you, Senator Thurmond; I certainly would.

The CHAIRMAN. Thank you, Senator.

Senator Hughes, do you have any questions?

Senator HUGHES. Yes, Mr. Chairman. I have a couple more. Apparently from articles in the paper the last couple of days, Mr. Secretary, I have noticed items there that I think are important. We apparently are shifting or will shift the Air Force headquarters from Saigon to Thailand. What are the circumstances or what limits would you place on the use of these forces in Thailand and under what circumstances would you recommend aircraft or other military forces in Thailand be used within the country in case of internal insurrection?

Secretary RICHARDSON. In the case of internal insurrection in Thailand? This, I think, is a matter that would have to be approached with a great deal of deliberation. The Nixon doctrine, of course, contemplates that the duly constituted government of a country, which is an ally of the United States, would deal with problems of internal insurrection as a part of its own internal security capability, and I do not believe that we, the United States, should utilize the U.S. forces, even though stationed in that country, in that situation. If the country is incapable of dealing with genuinely internal insurrection as distinguished from an invasion or aggression from outside, it is probably not sufficiently stable to justify our maintaining substantial forces there at all.

Senator HUGHES. I also noticed in the paper, Mr. Secretary—I don't know what the informational sources were—an item mentioning that Russia was increasing the number of planes it was shipping to Syria and technical advisers and technicians, which brings to mind the problems in the Middle East.

Could you in general terms just give the committee what you think our obligations are in the Middle East.

Secretary RICHARDSON. I can say only in general terms that in my view the obligations of the United States in the Middle East are obligations to our own security. They concern, therefore, measures to reduce tension, to prevent escalation. We have certain obligations, of course, to our NATO allies, and these would involve Turkey and Greece, but the question of what we would or should do in specific terms beyond the material support we have been giving to Israel in the event of any new outbreak of conflict is, I think, the kind of decision that could only be reached in the light of all the circumstances. I am sure there are contingency plans but I have not recently seen these.

Senator HUGHES. This is an area where the President has been pretty successful, at least in my opinion, in program and philosophy, in keeping some sort of a balance of power that has enabled as much peace as is possible in the area.

Secretary RICHARDSON. Yes; I certainly feel so, and I think we should obviously continue to pursue the objective of a negotiated settlement between Israel and the Arab countries.

Senator HUGHES. I would like to ask you a theoretical question, the probabilities of which I recognize, and I think you will also, but at least they are theoretical.

If the Congress should pass a law to end the war in Southeast Asia, and should somehow override a Presidential veto, if such were the case, I would assume your responsibilities then would be to follow the Presidential directive. Would it be your inclination to bring the war to a rapid end?

Secretary RICHARDSON. I am not sure if I follow you.

Senator HUGHES. How much money is in the pipeline to continue the war even if we said to end it? Could you go on for 6 months, could you go on for 3 months, or 30 days?

Secretary RICHARDSON. Well, I think this is very hard to answer, Senator Hughes. I don't know what the situation would be with respect to funds. Of course, there would be involved conditions on the availability of the funds. These, in turn, would depend upon the terms of any action that Congress took, and the question, of course, of what the President himself would believe he could or should do in the light of congressional action itself, and so get to a hypothetical question which rests on the resolution of a series of other hypothetical questions.

Senator HUGHES. I am inclined to agree with you. I want you to know personally that I share the hopes that you have and the President and the world that we get a negotiated settlement rapidly and that we will be discussing this as a moot question in the very near future.

I also would like to state to you personally that I do not hold the responsibility of our actions in Vietnam—the bombing—against the military. I never have. I believe they are following orders that have been given by a civilian command many times, making recommendations which is their job to do. It is their job to plan, design, to make recommendations. It is a job of the civilian sector then to make the final decisions of commitment. So in anything I may have said in these hearings I hope there is no implication that I may hold any antagonism against the military in the way of responsibility for the decisions that have been made. I just make that as a statement of clarification to you, Mr. Secretary.

Secretary RICHARDSON. I appreciate that. And I, in fact, don't believe that the contrary would have been inferred from anything you said in any case.

Senator HUGHES. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator. Senator Nunn, do you have any further questions?

Senator NUNN. I have no further questions.

The CHAIRMAN. Senator Saxbe?

Senator SAXBE. No, Mr. Chairman.

The CHAIRMAN. All right, Senator Byrd. Gentlemen, I think we can all hear you better, if you put these microphones a little closer.

Senator BYRD. Thank you, Mr. Chairman.

Mr. Richardson, do you believe that the *Trident* submarine program should be accelerated, or should we delay this program until after the SALT negotiations are completed?

Secretary RICHARDSON. That, I think, is a question that needs very careful study. I can only say at this point that I think that the de-

velopment process should be pursued quite deliberately. I don't think it is a matter that needs to be undertaken with haste, and I think we seem to be—subject to possible eventual agreement in SALT—moving forward purposefully on that program.

Senator BYRD. Do you believe that the Departments will be capable of meeting manpower requirements, both numberswise and quality-wise, if we permit the induction authority to lapse after June 30, 1973?

Secretary RICHARDSON. I think from all I have heard that we have a very good chance of doing this. I think we need to try, and I think we will need some help from this committee with respect to the kind of supporting incentives that we have touched on before, but I would be the first to come back to the committee if it should turn out that our hopes are not realized.

Senator BYRD. You have no plans to seek extension of the induction authority which ends on June 30?

Secretary RICHARDSON. No, I don't, with the possible exception of the utilization of induction authority with respect to Reserve forces, and that I would have to learn more about.

Senator BYRD. What is your timetable for the implementation of the Uniform Services Medical Academy, with particular reference to the utilization of the funds during the balance of fiscal 1973?

Secretary RICHARDSON. The first step, I think, needs to be the utilization of the funds available for planning, and then how far, how fast we proceed is going to have to be a matter of overall budgetary consideration, and I really can't forecast that.

Senator BYRD. What action has been taken to implement the scholarship program provided from the Uniform Services University of the health sciences law?

Secretary RICHARDSON. I am not informed on that. I have heard a little bit from Dr. Wilbur, but I don't have it well enough in mind to answer the question. I will be glad to supply this for the record.

Senator BYRD. If you would supply it for the record, please.

(The information follows:)

IMPLEMENTATION OF ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP PROGRAM
UNDER PUBLIC LAW 92-426 DATED SEPTEMBER 21, 1972

The program was implemented by DoD Directive 1215.14 dated 5 October 1972. The following health professions were approved for the 5,000 scholarships authorized under the program. Medicine including osteopathic medicine, dentistry, veterinary medicine, optometry, podiatry and clinical psychology at the PHd level. A tri-service recruitment program was initiated on 6 October 1972 with the following results as of 10 January 1973: Inquiries—approximately 4,500; applications received—3,443; applicants selected—1,677; and applicants currently enrolled—580.

Senator BYRD. You were nominated for this position several months ago, I believe.

Are you planning on making any changes in the systems analysis capability of the three services in the Department of Defense?

Secretary RICHARDSON. I have no plans on this score at all one way or the other.

Senator BYRD. Do you believe that the military departments have a disciplinary problem?

Secretary RICHARDSON. I believe that it is a problem that should have very close scrutiny. I think that the only question I have really

is as to the degree. I suppose the most direct answer is yes, but I am not sure how bad it is. In any event, I think it is a highly important problem that should have high-priority attention, and I think that the result should be prompt action to correct whatever may be found to be deficient.

Senator BYRD. A House committee has been looking into the disciplinary problem particularly in connection with the Navy, and one of the members of that committee, the Congressman from Virginia, incidentally, made a statement the other day, that the greatest problem is that the Chief of Naval Operations refuses to recognize that there is a problem. I assume that you, as the Secretary-designate, even though you haven't taken office, that you do recognize that there is a problem.

Secretary RICHARDSON. Yes; as I say, but what I don't feel clear about is the extent and degree of it. In any event, I do believe that, as I said earlier in response to questions by the chairman, the ingredient of discipline is so integral to the very concept of a military force that any doubts about the maintenance of it should be followed up, and to the extent necessary, corrective action should be taken.

Senator BYRD. The Senate has approved and a House armed services committee has strongly recommended against recomputation of military retired pay. Would you give the committee your views on this subject?

Secretary RICHARDSON. This is a matter on which I have had some preliminary briefing, and I know that the problem essentially is one of a feeling on the part of many retired personnel that their retirement benefits should be calculated on the basis of current pay scales versus the very substantial costs that this would involve. I know that thought has also been given to the retirement system generally, but I don't have a clear view on this.

The question of action in the next Congress and the required budget levels were, and have been, among the questions that have had very considerable attention by Secretary Laird in the last few weeks, and I believe that the result of that deliberation will be reflected in the budget submitted by the President later this month.

Senator BYRD. Do you support a continuation of the B-1 bomber program particularly in view of the severe losses of our B-52's in Vietnam?

Secretary RICHARDSON. Based on what I now know, and again subject to the kind of thing we were talking about earlier, in the context of competing claims and trade-offs, I would, yes.

The losses, if we are talking in the context of strategic nuclear capability, the losses that have been experienced in North Vietnam have been such as to indicate that a very significant proportion of the bombers would get through. Indeed, if we are talking about the delivery of nuclear weapons, the proportion could be very much lower than in fact it was in North Vietnam and you could still have an effective intercontinental strategic weapon.

Senator BYRD. Do you support the concept that our major combat and naval vessels should have nuclear propulsion plants?

Secretary RICHARDSON. This is a question that was raised a moment ago with respect to aircraft carriers by Senator Thurmond. I agree in general with the desirability of utilizing the most modern capa-

bilities to propel ships as well as in other respects. I would want to—in terms of the broad extension of nuclear propulsion to the Navy—I would have to look at considerations of cost, incremental contributions to speed, what are the factors with regard to being freed from dependence on refueling, recognizing that the vessel or the fleet still requires resupply for some other purposes anyway, including ammunition and food, and so these are all things that again bring us back to the complicated problems of what we can afford and what are the trade-offs between a desired capability and its cost.

Senator BYRD. What arrangements would you like to see worked out between the executive and legislative branches of Government to insure greater coordination and understanding in regard to the commitment of the U.S. troops to combat on foreign soil?

Secretary RICHARDSON. I am not prepared, Senator Byrd, to speak in terms of specific arrangements. In general, I think that there should be maximum consultation. I think that the history of the last several years has reinforced this feeling.

Senator BYRD. The Senate last year passed legislation, I don't know whether it will be introduced again this year, specifying at the end if U.S. troops are used that they can only be used without the consent of Congress for 30 days. At the end of that time if Congress has not approved the use of the troops then they would need to be withdrawn. Would you favor legislation which would give the Congress the final say on any permanent disposition of troops? I am not speaking of an emergency matter, but I am speaking of any permanent use of troops or long-term use of troops.

Secretary RICHARDSON. In principle I certainly would favor giving the Congress that kind of ultimate voice. I would want to look very closely at the language of any such legislation.

Senator BYRD. You would approve it in principle, however.

Secretary RICHARDSON. I approve in principle the point that where permanent commitment of U.S. forces is concerned, the Congress should be brought into the act and have an ultimate voice. But it is—you get into rather vague terms, and so I would have to look at the language.

Senator BYRD. I think you are quite right insofar as the details are concerned. I was trying to establish your view, however, as to a matter of principle.

Secretary RICHARDSON. Yes.

Senator BYRD. Not the detail of it but as a matter of principle.

Secretary RICHARDSON. And I think I have already said that as a matter of principle I do believe that the Congress should have a voice in the long term or permanent commitment of U.S. forces overseas. I want to be left a little room for the question of whether I think any given legislative formulation may not be more trouble than it is worth. It may be, in other words, that I would conclude that the general proposition is one that, while it should be observed, is not readily capable of being embodied in legislation. That I am not clear about at this point.

Senator BYRD. I don't know what you mean by more trouble than it is worth. When we are dealing with the use of American manpower, trouble is, on the part of us in the Congress and those of you in the executive branch, should be the least consideration, it seems to me.

Secretary RICHARDSON. I meant by that in terms of the kinds of controversies that might arise out of its interpretation, because I would have to look at the language to see if I thought it was clear enough to be applied in practice. I have seen—I think I had better stop there.

Senator BYRD. We have military base agreements with Spain and Bahrein, with Portugal, among others, and in the past all of these commitments, agreements—strike the word commitment, all of these agreements, have been made unilaterally without reference to the Congress.

In your judgment, as the prospective Secretary of Defense, should agreements such as we have with Spain and Bahrein and Portugal be referred to the Congress, the Senate, as a treaty or to the Congress for its approval?

Secretary RICHARDSON. Briefly, I don't believe that those agreements should be referred to the Congress as a treaty for formal ratification. I believe that the Congress should be informed.

The only one of those agreements that I had anything directly to do with was the recent extension of the Spanish bases agreement, and I recall touching on this question at the time with the—in testimony before the Committee on Foreign Relations, and in general, as I recall, we undertook to give the committee full information about this, and to take into consideration the views of the committee. It was our position that if there were no commitment in the agreement to the use of U.S. forces or if there were no undertaking on the part of the United States to assist the country where the bases were located, it would be inappropriate in the circumstances to classify the agreement as a treaty and thus make it subject to ratification.

Senator BYRD. You feel then that the executive branch, whether it be through the Department of Defense or the Department of State, as the case might be, or both, you feel that the executive branch should continue as they have in the past, to make whatever agreements they wish in regard to military bases without reference to a vote of the Congress.

Secretary RICHARDSON. Of course, there are votes of the Congress involved. There was a great deal of discussion and negotiation with the Committee on Foreign Relations with respect to the Spanish bases.

Senator BYRD. Let me interrupt you there for just a moment, if you will. Was the Committee on Foreign Relations satisfied with just to be briefed as you briefed them?

Secretary RICHARDSON. I believe they were satisfied in the end. I think Senator Fulbright personally opposed the continuation of any bases agreement but I think in general he felt that the committee had had full opportunity to consider the matter, and that they had been fully informed and, of course, they would be involved in any event in congressional action in regard to the support of the bases through appropriation and so on.

Senator BYRD. Yes, and that brings up the very important point. You are aware, of course, that the Senate passed a resolution requesting that the agreement with Bahrein and Portugal be submitted to the Congress. That was not done. Now the Senate, the Congress does have recourse, as you mentioned. It can cut off the funds but that is a very drastic action, it is a very drastic action.

I supported the proposal by Senator Case requesting the administration, the executive branch, to submit those agreements to the Congress

for consideration and approval. I thought that should be done. When it wasn't done, Senator Case then presented legislation in the Senate to cut off the funds. Well I did not support that because I felt that the agreement had already been made, and it was too drastic a step in my judgment at that point, to vote to cut off the funds.

I was hopeful that as a result of what the Senate did in passing the resolution urging the executive branch to submit these agreements to the Congress, that in the future, in the future they would do so. So I was willing to vote against Senator Case's proposal on cutting off funds but, as you say the Congress does have that right but it is a drastic right, it is a drastic step to take. It is a step that many of us, at least I do not like to take, but I feel very strongly that the executive branch has got to get out of the idea one of these days that it can do whatever it wishes in regard to establishing agreements and bases and making commitments to other countries in the name of the American people without submitting that to the Congress and I wanted to get your view because you will play a very vital role in this thing. You will be Secretary of Defense, you will—the negotiators for the Spanish bases, for example, will be under your command or at least there is a general, I believe, who negotiated it before. So I am tremendously interested in your position on it and, as I take your position, you feel that none of these should be submitted to the Congress.

Secretary RICHARDSON. I don't know—these might include some possible agreements that I would agree—

Senator BYRD. I am speaking of, you know what I am speaking about, bases like Spain, Bahrein, the Azores, matters of that type.

Secretary RICHARDSON. Let me read to you, Senator Byrd, what I said to Senator Fulbright, who asked:

Can you give to this committee a positive statement of your position with regard to submitting an agreement or extension involving over \$100 million to the Senate as a treaty? I suspect from what you say you do not have any intention to do so. All I want to do is make it clear, I would like a positive statement so that there is not any uncertainty about the position of the Administration on this. Could you do that?

I said:

Mr. Chairman, subject to consultation with Secretary Rogers and his possible desire to discuss the matter with the President, I can only say this: We do not now propose to submit the extension of the agreement to the Senate for its advice and consent. We do not propose to do so because we do not consider that any element of the agreement would constitute a commitment on the part of the United States for the use of its military forces such as to be an appropriate subject for the advice and consent of the Senate.

My own view is that if we were to submit it to the Senate for its advice and consent we would be, in effect, opening up a whole range of contractual arrangements between this government and other governments for ratification which we do not think belong in that category.

My assurance further to you is that we do not intend to enter into any agreement of the character that would be appropriate for ratification. We do not intend to enter into any mutual security arrangements with Spain or to be obligated in any way to use our forces on behalf of Spain simply because we have extended our rights to use the bases. In order to satisfy you on that point we will be glad to show you the language that we will have negotiated before it is finally signed and made binding upon the United States.

Senator BYRD. All you are saying is that you will make a decision as to what is appropriate and not appropriate to submit to the Congress. I happen to be a strong supporter of the Spanish base agree-

ment. I supported it in 1954, I think that was the date it was originally enacted. I think it is very important in our military, in our defense structure.

But for the prospective Secretary of Defense to say to the Congress that he will make a judgment as to what should or should not be submitted, agreements are being made with foreign countries, we have a great many American military personnel in those areas. We could very easily get involved, we could very easily be involved in military activity. If civil war would break out in those areas, many things could happen, and I would think that you should re-examine your position in regard to this.

We all know the State Department does not want to do it. We all know that anyone in the executive branch prefers to make their own decisions and not have to bother with anybody else. That is human nature, all of us want to do that. But I don't see how we are going to have the proper relationship between the executive branch and the congressional branch, and each of us have the opportunity to adhere to our responsibilities, if in matters of this consequence, and I think they are matters of consequence, you, as the upcoming Secretary of Defense, state the position that you do on these treaties, on these agreements.

Secretary RICHARDSON. I can only say, Senator, that in my view the healthiest relationship between the executive and legislative branches is maintained when each preserves the prerogatives and the jurisdiction accorded to it by the Constitution.

Senator BYRD. Amen.

Secretary RICHARDSON. The issue here is whether the agreement is an appropriate subject for advice and consent of the Senate. That, in turn, depends on whether or not it is or should be regarded as a treaty, and I don't think that I would be serving my responsibilities in the executive branch to sit here and say to you that I will give away centuries of, I mean decades of, negotiation between the executive branch and the legislative branch over issues of executive agreements and so on.

As the Senator knows better than I, this has been the subject of a great deal of discussion for as far back as the history of the Republic.

Senator BYRD. One reason that we have had such great difficulties in the last 10 years in Southeast Asia is that the executive branch has assumed too much authority or the Congress has on its own initiative given up too much of its own responsibilities.

What you are doing in your earlier statement that the Congress had recourse, what you are doing is inviting the Members of the Congress or putting us into a position where the only thing we can do is to vote down the appropriations for these bases and I don't want to do that.

Secretary RICHARDSON. No, I don't quite wish to leave it on that footing, Senator Byrd, but what I was saying with respect to the Spanish bases is, what I was trying to say in the testimony that I read to you just now—and not only that but in discussions with Senator Fulbright—was:

Mr. Chairman, we, representing the Executive Branch, do not believe that we should allow to be established as a precedent a requirement that this kind of agreement must be submitted for the advice and consent of the Senate.

That does not mean that we want to go ahead unilaterally in defiance of the views of the Senate.

Senator BYRD. That is what you have done.

Secretary RICHARDSON. I do not believe in the case of the Spanish bases agreement we did that. We consulted a great many people, and when the agreement was finally adopted—I am not sure whether there was some vote or other at that point—but at any rate when it was finally done it was on a footing which I think had satisfied Senator Fulbright was generally supported by the Congress.

And so what I am saying to you in effect is, no, I don't think we ought to go barging ahead in disregard of congressional attitudes in a matter of this kind. But, on the other hand, I don't think that we ought to lightly relax the lines that have been drawn historically as between what is and what is not classifiable as a treaty.

Senator BYRD. You have been Under Secretary of State, and you are a very able lawyer, why do you draw a line between what should be a treaty and what should be an agreement. It is a matter of interpretation and judgment on the part of the executive branch; is it not?

Secretary RICHARDSON. In the first instance, if the executive branch concludes that an agreement is not a treaty because it does not embody the elements that have traditionally been considered to be earmarks of a treaty, then presumably we have to proceed on that basis. One could imagine various possible ways of challenging this, but I think it is intrinsically a situation where we will have to make the call in the first instance.

Senator BYRD. This is a very healthy discussion today, at least it is enlightening to me, it certainly indicates that the new Secretary of Defense is not going to voluntarily submit any of these agreements to the Congress, and I think it is going to force the Congress to go to lengths that I would be very reluctant to see it go to and that this is to cut off funds.

What steps do you propose taking in the Department of Defense to reduce the possibility of overruns in military procurement contracts?

Secretary RICHARDSON. I would certainly, in the first instance, want to follow up the kinds of initiatives that were taken in the last 2 or 3 years by Secretary Laird and Secretary Packard. The most important of these, I think, was the decision to drop the total package procurement approach, to insist upon adequate engineering tests and the development of prototypes which could be tried out before a decision was made to proceed with large-scale procurement.

This has, I think, proved to be a protection against overruns or excesses in cost beyond the terms of the contract in the case of recent major Air Force procurements particularly, and I believe from what I have learned so far that these are examples of where the reforms initiated by Secretary Laird and Secretary Packard have been most fully carried out.

I think we need also to take the approach of design-to-costs as a way of holding the line, and I think we need to follow such other measures or intensify them as were recommended by the Blue Ribbon Commission which included, for example, better trained, higher level project managers. And, finally, I think we need, as part of the means of reinforcing the integrity of the whole process, to stand firm on the enforcement of our contracts.

Senator BYRD. Mr. Chairman, I will be glad to yield some time to someone else. I have taken a lot of time.

The CHAIRMAN. I have some questions here. I don't know of any others.

Senator HUGHES, do you have any further questions?

Senator HUGHES. I think Senator Byrd is thoroughly covering the field and I will just let him have the ballgame.

The CHAIRMAN. That is what I am doing. I think he is doing a fine job.

Senator HUGHES. I was curious, Mr. Chairman, a newspaper reporter told me that an advance to Grumman of \$18 million by the Navy, they had asked for \$10 million, and after they got the advance they paid an \$8.5 million Christmas bonus to their employees. I haven't had a chance yet to check that out. I hope, sir, that you would check it out and see if somehow we are paying a Christmas bonus in advance on a contract or—

Secretary RICHARDSON. We have checked it out. I only know that the advance in question was one that covered work done by Grumman under the terms of the existing legislation permitting the Navy to do this. But I will certainly look into it.

Senator HUGHES. That is what I thought, too. I was surprised when I got that information. I don't know what the facts are.

Senator BYRD. I might say, if the Senator from Iowa would yield, I have a series of questions on that point that I eventually will get to.

The CHAIRMAN. Senator Byrd, since you are interrupted, may I ask some questions here because it may develop where I will have to ask you to excuse me. These are questions more or less for the committee.

Mr. Secretary, assuming that you become the Secretary of Defense, I want to point out some things about the hearings that we have to hold on these bills. The fiscal year will soon be at an end. Time is running short. We have extended the time for a budget submission to January 29th at the request of the President. Under the circumstances, I do not object to the delay. However, the Department of Defense will have little time to prepare the budget. I realize that you may have had a small part, if any, in preparing the budget but you will be the principal spokesman for it before our committee. We will go through the major parts of it. The fiscal year will soon be over, and the Congress will be criticized for not getting appropriations made earlier.

I want to ask that the day you become Secretary of Defense that you give as much advance information to the staff of this committee through the Comptroller and others in comparable positions, as you possibly can, whether the budget has been published or not. It is an unusual request, but I am asking that you provide this advance material. It is just a theory to wait, publish a \$75 to \$80 billion military budget all the same today. I think it is possible to put confidence in our staff members and give some advance information to them.

It is necessary that it be done so that we can perform our duties. Someone said that it takes over 2,000 people to put that budget together. We just have a handful of people on the committee and a few Senators, who have many other duties, and who must look at it.

I am not going to be severe about it with you but we want the prepared statement that you propose to use when you come before

the committee to justify the budget a short time prior to the meeting in order to analyze it and be able to ask you pertinent questions. There simply is not time for the staff to get into those matters unless there is some advance presentation.

When we get to the services, and your assistant secretaries, and the service secretaries and their chiefs of staff, we certainly want to hear all of their items on the merits. It is not necessary to repeat, in every one of those witnesses, a great long story about what the threat is and the history of the services. Give us the facts and the reason for the request.

We are going to insist that all statements be furnished in advance for attention by our staff so that when we meet the information will be before us.

Secretary RICHARDSON. You certainly will have my full cooperation, Mr. Chairman. I have some sense of the kinds of problems that you face, and I will do my very best. I can give the committee firm assurances with respect to advance opportunity to see our statements. I don't expect to be seeking any delay or indulgence on my own account. I am not going to be in a position to present this as my own, as a budget with my own imprint on it. I have been working on the HEW budget right up to recent days, even today on one aspect. So I will just do the best I can.

I will have to pursue the question of advance opportunity for the committee staff to see what is going to be in the January 29 submission. I cannot give you an immediate answer on that but I will do—I will follow that up.

The CHAIRMAN. I want to make clear that I am not reflecting on any testimony of these men. Take the Chairman of the Joint Chiefs of Staff. He makes a fine statement, his answers are splendid and to the point. The other Chiefs and Service Secretaries also do a fine job. It is the time element that I want to get solved. I don't feel that we should ask the Senators to come back to these meetings and hear almost the same thing over and over, week after week.

Secretary RICHARDSON. I think we can help to keep that kind of thing out. We can certainly do that.

The CHAIRMAN. I want to know now if you expect to request passage of a selective service bill of any kind during the year 1973.

Secretary RICHARDSON. I certainly have no such present intention. I will have to look, as I have said earlier, harder than I have had a chance to do at the interrelationship between Reserve recruitment and some induction authority.

The committee will also have before it, of course, the question of special incentives for certain scarce personnel, particularly doctors, and I think we may need to—depending on the outcome of that legislation and on the basis of our ability to recruit and retain—we may have to look at that, but I don't see any likelihood of our asking for overall induction authority.

The CHAIRMAN. You don't expect to ask for anything approximating an extension of the present law beyond June 30, 1973?

Secretary RICHARDSON. No.

The CHAIRMAN. I appreciate that answer.

This year we have been told that we are going into what is called the second phase of the program for our military personnel to be

housed in Greece—those and other matters that go along with it. Regarding the second phase, my request is that you will give that personal attention and file a statement with the committee as to what the second phase is and what you think about it personally. What is the prospect for a third phase? I am sure you will do that when you have a chance.

Secretary RICHARDSON. I will be glad to do that, Mr. Chairman.

The CHAIRMAN. Some weeks ago I had a chance to talk with you about military manpower. Will you personally have an analysis and estimate made as to the manpower needs in the intelligence community (DIA and others) of those in the military and civilian capacity.

I know I have never had any proof of the actual numerical manpower needs in the intelligence field by anyone in the civilian branch of the services. I know you will be interested, and will see that that is done?

Secretary RICHARDSON. Yes, I will.

As a matter of fact, I consider it an urgent priority.

The CHAIRMAN. Yes.

Secretary RICHARDSON. We do now have, as you know, an Assistant Secretary for Intelligence under legislation approved by the committee last year, and we will also have, of course, assuming Senate confirmation, a new Director of Central Intelligence who has had some budgetary experience of his own, and I think he will give that a very thorough look.

The CHAIRMAN. That is very encouraging we do, in the authorization bill, set the manpower levels for the forthcoming fiscal year, and that is why we have to pass on it directly.

I have a question relating to the strong recommendations of the blue ribbon offense panel that was not put into effect it was a recommendation to establish an independent office for operational test and evaluation of the weapons. This office would have reported directly to the Secretary of Defense. Since then the Defense Department has taken some small steps in this direction, but the people doing the operational testing are still responsible to or guided by the weapons developers to a very large extent.

Do you believe that there is some possibility that you might not get complete independent and objective test results if you have the people responsible for the developments being the judge and jury of the system they are developing. I want to put that question in the record and not delay matters any longer. Will you examine that and give us your ideas as to whether or not you consider going into the problem of trying to get an independent establishment there to do the testing?

Secretary RICHARDSON. I would be very glad to do that. Mr. Chairman. I was aware of the blue ribbon panel recommendation and I had noted as a thing to followup the question of what consideration was given to it and why it has not been carried out in its original terms, at least. I will be glad to communicate with the committee further when I have had that opportunity.

The CHAIRMAN. All right.

I think some progress has been made in procurement reform the last few years, a lot of hard work on it by Mr. Laird, Mr. Packard, some

by the military—but, I believe more has got to be done on it, and I call that to your special attention. I don't think I should bind you down to too many specific promises here in a field that you naturally have to go into further. But, I want your assurance that you are interested and will go into it.

Secretary RICHARDSON. Yes, sir; I certainly will.

The CHAIRMAN. Senator Byrd was asking questions here, Mr. Secretary, about this matter of a declaration of war by the Congress before this Nation is committed with its manpower and all its resources to a war except in an emergency, and I strongly supported that measure. It does fairly well spell out what the emergency is.

I noticed your cautious reservations about it. You want to know the language, of course, but I want to point out now that all during the debate on SEATO which relates to Asia, over and over and over again those who sponsored the legislation said many times on the floor that before the Nation would be committed to war under SEATO the legislative constitutional processes would have to be complied with and every time the assurance was that this constitutional process meant the declaration of war.

Still the time came when we went on into Vietnam, although they were not party to the SEATO and that was on a much less authority or verbal promise of some kind. There was no reference then to Congress making a declaration of war. I am just as guilty as anyone could be on that subject, so I am not blaming anyone. I just point it up to show, and history is certain to repeat itself. I think we must again write into the law the principle that has been in our Constitution for 200 years, partly claimed to be outdated, so now I am just calling your attention to that. As Secretary of Defense, I think you have a special field in the responsibility and duty. I am not saying that you would actively oppose the President of the United States if this thing comes up again. I do hope you have a chance to advise with him after you have fully informed yourself.

I think constitutionally that is about all I can ask you to do on this.

Secretary RICHARDSON. I would certainly want to do that, Mr. Chairman, and there will be opportunities to discuss this with the members of the committee.

The CHAIRMAN. Members of the committee, I have a few more questions here. I will ask unanimous consent that all these be placed in the record for pursuit by the Secretary—and his answers.

Our committee has devoted a great deal of attention to the need of reforming the weapons system development and procurement process. We have seen many cases of weapons systems pushed into production before development was completed, and before adequate testing, particularly operational testing, has been done. A number of witnesses who have testified before our committee have emphasized the importance of using prototypes—hardware instead of paper studies—as a basis for production decisions. Several high-level Defense Department officials have said privately to me that we often make a mistake by pushing programs too fast—that the services often overemphasize the need for speed in selling a weapons program to the Department of Defense and to the Congress.

What is your general view about these issues, particularly the need for speed in development as balanced against the need to take the time to build prototypes and test them?

Secretary RICHARDSON. In general, I do not believe that the incentives to place new weapons systems in operation at earliest possible times should be permitted to outweigh the potential disadvantages which lie in concurrency of development and production. Experience has proven, I believe, that the difficulties which flow from such concurrency have often resulted in deliveries being delayed beyond what might have been attained had concurrency been avoided.

It seems to me a sound management approach to allow adequate time in the development process to reduce the technologic unknowns to a minimum before a decision is made to launch upon quantity production of a new item. It may be that in very exceptional circumstances, however, that the time factor could be sufficiently critical to justify an exception to the general rule.

As a general policy, however, it is my view that development of prototypes of systems, or subsystems where total system prototypes are not feasible, and the testing of the prototypes should be accomplished before a production decision.

The CHAIRMAN. Mr. Secretary, I have previously asked the following question, but will restate it, which will give you an opportunity to furnish a more complete answer for the record. One of the strong recommendations of the Blue Ribbon Defense Panel that was not put into effect was to establish an independent office for operational test and evaluation of weapons. This office would have reported directly to the Secretary of Defense. Since then, the Defense Department has taken some small steps in this direction but the people doing operational testing are still responsible to, or guided by, the weapons developers to a very large extent.

You have a reputation for being a good manager. Do you believe that there is some possibility that you might not get completely independent and objective test results if you have the people responsible for development being the judge and jury of the systems they are developing?

Secretary RICHARDSON. I concur that independent and objective test and evaluation are essential to an effective acquisition process, and that the most objective analysis does not result from a procedure which requires a man to evaluate his own product.

It is my understanding, however, that the organizational and procedural approaches of the Department of Defense do not now permit those charged with the responsibility for developing a product to also exercise the responsibility to test and evaluate that same product.

If confirmed, I will review this matter in detail after entering upon my duties as Secretary of Defense, and undertake whatever changes, if any, that appear necessary to insure independence and objectivity in testing.

The CHAIRMAN. As you know, the overall cost of manpower now approaches two-thirds of the Defense budget. It has increased sharply in the past few years as we have increased military pay in an effort to obtain an All-Volunteer Armed Force. As I understand it, responsibility for manpower decisions is somewhat fragmented. The office of the Assistant Secretary of Defense (Manpower and Reserve Affairs) has often concentrated primarily on personnel policy, whereas the services themselves and other offices in the Defense Department have concentrated on requirements.

Do you believe that responsibility for manpower in the Department of Defense should be more effectively focused on one individual, say an Assistant Secretary, or perhaps one of your two deputies?

Secretary RICHARDSON. Manpower requirements are developed from a broad spectrum of factors including force structure considerations, tactical doctrines, procurement schedules for new systems, training schedules, variations in commitments and technological advances, to mention a few. The development of such requirements requires participation of and coordination with almost all organizational elements of the Department of Defense, through a process that is distinct and requiring analytical skills different from those necessary for development and monitoring of personnel policies, although there is an interrelationship between the two that requires close coordination.

Whether changes are needed in the delineation of responsibilities of the several Assistant Secretaries of Defense, I could not answer until I know much more of the details of the total management procedures in use in the Department. I will, if confirmed, be reviewing the management approaches of the Department as a matter of priority after entering upon the Office of Secretary of Defense.

The CHAIRMAN. As the number of men in our Armed Forces declines, the quality is even more important than before. What steps, other than continuing to increase manpower costs, do you believe might be justified as we attempt to upgrade quality? For example, do you believe that we should devote more effort to realistic on-the-job training for our servicemen?

Secretary RICHARDSON. It is my understanding that both formal and on-the-job training for servicemen has been developed to a high level of proficiency already, and certainly I would continue to look for ways to strengthen and improve such training.

Considering the growing need for higher quality skills and the increasing personnel costs, however, I believe that the most promising approach lies through measures which will improve the retention rates for personnel already trained in basic and advanced skills by the services. A substantial portion of the high costs of military manpower is attributable to training. The training costs are largely proportionate to the turnover rates in personnel. It seems to me, therefore, that the most cost-effective approach to both the problem of increased manpower costs and the need for higher quality skills, necessitates consideration of acquisition and retention of manpower as an entity, with equal emphasis being placed on initiatives that enhance retention to the maximum possible extent consistent with the maintenance of young and vigorous Armed Forces.

The CHAIRMAN. As I am sure you know, this committee held extensive hearings last fall on the case of Gen. John D. Lavelle and certain unauthorized bombing missions in North Vietnam. I am not speaking of General Lavelle's personal case now, but rather about the lessons which we might learn from it. Secretary Laird has proposed an adjustment in the responsibility of inspectors general for the armed services—to report to the civilian service Secretaries rather than to the military Chiefs of Staff. In our hearings we discovered that there may be some problems which are more fundamental—problems which could not be solved by an adjustment of the inspector general system. The President's Blue Ribbon Defense Panel strongly criticized the

structure of our military commands as being excessive in number and overly complicated. The Panel pointed out that every crisis since World War II has had to be met by an ad hoc arrangement. We were all surprised that General Lavelle had three different military bosses, depending on what part of North Vietnam his planes were bombing.

I would personally appreciate it if, during your initial year in office, you would carefully review, yourself, the issues raised in the Lavelle case—and particularly those which Senator Hughes and I pointed out in our final Senate floor statements on the matter—with a view toward any future reforms in command structure or reporting procedures which might be needed. I know you will have a busy time this year, but I would hope that you would be able to review this important case for the lessons which it might teach us about strengthening civilian control.

Secretary RICHARDSON. I will certainly review this case, as I have previously stated, with the particular objective of learning how civilian control can be strengthened.

The CHAIRMAN. During the last session, the Congress approved certain agreements relating to arms limitation between the United States and Soviet Russia. Do you believe that those agreements permit the United States to maintain a defense posture that guarantees our security and protects our national interest?

Secretary RICHARDSON. The ABM agreement and the interim agreement on offensive weapons between the United States and the Soviet Union do, in my opinion, contribute to the security and national interest of the United States. These agreements do not in my opinion, prevent the United States from maintaining an adequate defense posture to guarantee our national security.

As I have stated earlier, however, these agreements do not relieve the United States of a requirement to maintain the strength of our Armed Forces at a sufficient level for adequate deterrence. If we fail to maintain a defense posture to protect our national interest, the failure cannot be blamed on these agreements.

The CHAIRMAN. Senator Byrd.

Senator BYRD. Mr. Chairman, I think the distinguished Senator from Georgia has some questions.

The CHAIRMAN. All right.

Senator NUNN. Mr. Chairman, I just have one question.

Continuing the line of questioning that Senator Byrd was exploring a minute ago about the distinction between a treaty and an agreement, which is all important so far as the congressional role and responsibility is concerned, you made reference, I believe, as I understood it, to at least a partial distinction being one of whether America was committed under the contract in question, whether it be a treaty or agreement, whether America is committed to support the particular party to the agreement with troops.

This may be a partial definition, but what I am asking is for you as a very distinguished attorney and graduate of Harvard Law and also with considerable experience in the State Department to give us is your understanding of the legal distinction between a treaty and an agreement.

Secretary RICHARDSON. I appreciate the flattering preamble to that question, Senator Nunn, but I am too good a lawyer to try to give you

an off-the-cuff answer. Let's say I am a good enough lawyer to know that I am not that good an international lawyer, and I would have to beg the indulgence of the committee and seek the opportunity to supply the answer for the record.

Senator NUNN. Is one of the distinctions whether or not American troops are obligated under the particular contract in question, is that one of the distinctions as you see it?

Secretary RICHARDSON. Yes. And to put it the other way around, I think that a commitment by the United States to come to the assistance of another country under any circumstances whatever is a commitment that ought to be subject to the advice and consent of the Senate under the treaty power.

Senator NUNN. If we have an obligation to come to the assistance of another country you would consider that to be a treaty. When you consider assistance, do you consider that economic assistance?

Secretary RICHARDSON. If it were an obligation, yes. In other words, if we had bound ourselves to provide assistance in the event of an attack on another country then I would say that that ought to be subject to treaty, whether the assistance took the form of economic aid, materiel, or troops.

Senator NUNN. Would you be able to supply for the record a definition?

Secretary RICHARDSON. Yes, I would. I hope it doesn't turn into a text. I will try to get a reasonably succinct exposition on the point, for the record.

Senator NUNN. Mr. Chairman, I will yield to the Senator from Virginia.

The CHAIRMAN. The Chair recognizes the Senator from Virginia.

Senator BYRD. I want to make just one comment and then I plan to yield to another distinguished Senator. I think the point raised by the, pursued by the, distinguished Senator from Georgia is a very important one, and I hope that, and expect that, the Secretary will submit to the committee a definition giving a distinction between a treaty and an agreement so that the committee will have some idea as to where we might stand on this very important matter. As I understand it, Mr. Richardson, you plan to do that.

Secretary RICHARDSON. Yes.

Senator BYRD. Mr. Secretary, in view of the forthcoming mutual force reduction talks in Europe, what do you see as the basic intentions of the Soviet Union toward Western Europe?

Secretary RICHARDSON. I don't believe that I can adequately address the question of Soviet intentions at this stage, Senator Byrd. I think that from the perspective of the Department of Defense the crucial questions arising in the context of mutual and balanced reductions would involve the actual capacity of Eastern forces in Central Europe, and I think our concern in the Defense Department must be with the assurance that if there are any negotiated withdrawals that these are truly reciprocal. We do not find ourselves at a disadvantage, and I can only infer that the Soviet Union at least sees the potential benefit to both sides of a reduction of our respective investments in maintaining present force levels.

Senator BYRD. You feel that our chief concern should be not with Soviet intentions but with Soviet capabilities?

Secretary RICHARDSON. Yes. I don't mean we should not be interested in Soviet intentions but obviously they are far more difficult to be sure about than their capabilities.

Senator BYRD. What is your view on the granting of amnesty to draft dodgers and deserters?

Secretary RICHARDSON. I would be opposed to it.

Senator BYRD. In light of the record of the Soviet Union for breaking international agreements and treaties how confident do you feel that the Soviet Union will abide by the terms of the SALT treaty and the related interim agreements?

Secretary RICHARDSON. I don't believe that we should proceed on the basis of optimistic trust that the agreements will be observed. I think we should not enter into any agreement in the area of strategic arms limitations as to which we do not have substantial ability to satisfy ourselves that the agreement is being carried out.

Senator BYRD. Would it be accurate to say then that you do not have too much confidence in the Soviet Union abiding by the agreements?

Secretary RICHARDSON. I would rather not try to characterize my expectations toward Soviet actions. I think that the point is simply that I do not believe that we can prudently enter into an agreement whose execution depends wholly on optimism that the other side will choose to carry it out. I think we ought to be in a position, given the portentous risks involved in this context, of being confident that we have the means of informing ourselves as to the fulfillment of the agreement.

Senator BYRD. Yesterday, in reply to one of my questions, you identified the principal threat to U.S. security in the 1970's as being Communist Russia. Now, do you agree with the assertion that—do you agree with the assertion that Russia is developing superiority in ICBM's?

Secretary RICHARDSON. They have certainly developed ICBM's with heavier warheads than any we have, but the question of superiority of ICBM's involves, as you are aware, a number of other variables, and I am not clear enough at the moment about just what is on the public record on this subject to feel confident of going any further at this point. I would just leave it, I think, as a proposition that, putting aside numbers, the fact that the Soviet has bigger ICBM's does not in itself establish superiority.

Senator BYRD. The Blue Ribbon Defense Panel, the minority on that panel, made this assertion, "That there is convincing evidence that the Soviet Union seeks a preemptive first strike capability."

Do you agree with that statement?

Secretary RICHARDSON. I can't add to what we discussed on that point this morning when you referred, I think, to earlier statements by Secretary Laird. The minority views of the Blue Ribbon Panel were written before any SALT agreement, and they dealt with—they reflect—an ambiguity with respect to what the SS-9 development might portend.

Senator BYRD. You feel that the SALT agreements have changed the Soviet Union's capability for a first strike?

Secretary RICHARDSON. I think they have changed the basis on which to make an estimate of whether or not the Soviet Union was pursuing that capability. I think, to put it another way, the willingness of the Soviet Union to enter into an agreement limiting numbers, so far as it goes, points in a direction away from the effort to see a first-strike capability. There are other things they might do in association with their large weapons systems that could point the opposite way. I think it is a matter that, consequently, we have to be very continually alert to.

Senator BYRD. But your own thinking is that there is not now convincing evidence that the Soviet Union seeks a preemptive first strike capability?

Secretary RICHARDSON. I think that puts it very well. I would say to that question the answer is yes.

Senator BYRD. It puts your views well?

Secretary RICHARDSON. Yes.

Senator BYRD. "The convergence of a number of trends indicates a significant shifting of the strategic military balance against the United States and in favor of the Soviet Union."

Do you concur in that statement?

Secretary RICHARDSON. Only if the statement is intended to refer to what could happen. The language I think you used was "indicates a shifting"; there certainly has been a process of shifting. I don't think the process has gone as far as the question implies. It could happen, and this is one of the things that has to be looked at in the SALT context and is obviously important in the context of the continuing investment of the United States in technological development, testing, and new weapons systems.

Senator BYRD. I would like to read that question again, which is this: "The convergence of a number of trends indicates a significant shifting," a significant shifting, "of the strategic military balance against the United States in favor of the Soviet Union." And my question was: Do you agree or disagree with that assertion?

Secretary RICHARDSON. Perhaps I have read it or listened to it too cautiously. If the question simply means have the Soviets been gaining relatively in strategic capabilities vis-a-vis the United States, the answer is yes.

Senator BYRD. Do you agree with the assertion that the Soviet—there has been a rapid expansion of Soviet naval capability?

Secretary RICHARDSON. Yes.

Senator BYRD. Could you give your own view of the—we hear a great deal these days about the—military-industrial complex; could you give your own views as to your feeling in that regard?

Secretary RICHARDSON. There is, of course, a necessary and desirable continuing relationship between the Defense establishment of the United States and those various suppliers who have to be called upon to produce the things that we need for our defense. I think we need to be vigilant that this continuing relationship not become an incestuous one. We need to keep constantly in view the overall interests of the people of the United States and the security of the United States, recognizing that the strength of our economy is an integral part of our national security. We need to have in view the considerations touched on earlier today with respect to civilian control of the

military establishment. This means, I think, that there must be exercised a kind of partnership between the Congress and the executive branch, and in the latter, people who like myself or Secretary Laird, serve what is in a sense a tour of duty as civilian officers in the military establishment, should guard against the distortion of judgment that may come from people who, because of their deep commitment to the military system or to a military production entity—without charging any ill will to them—may nevertheless lack some degree of objectivity. I think it is important to keep a sharp eye on the situation.

Senator BYRD. You do not agree, I take it, then, with the criticisms, speaking generally, the criticisms that have been made of the military-industrial complex?

Secretary RICHARDSON. I think they have been overstated. There is a conspiratorial implication in a lot of these criticisms. My view is that, in fact, both the military people involved and the industrial people involved are overwhelmingly people who are trying to do a job and who are patriotic citizens, and who are not trying to advance their own selfish interests at the expense of the public interest. If they do that at all, it is not willfully or through malice but because of the basic proposition that we refer to in HEW as Miles' Law, which goes, "How you stand depends on where you sit."

Senator BYRD. The minority on the Blue Ribbon Panel said this:

"However one may view the balancing," or speaking now of the strategic forces, "no informed person now denies that the period of U.S. superiority has ended."

Do you agree or disagree with that?

Secretary RICHARDSON. I agree with that.

Senator BYRD. Do you think it is better that the superiority has ended?

Secretary RICHARDSON. I think that—I will put it this way—I think it is not all bad. So long as the United States had a decisive margin of superiority, that could in itself contribute to international stability, and I think it did. But I think it was intrinsically a situation that could not last forever. It seems to me that the Soviet Union, in the face of that situation, was bound in due course to seek to catch up, and if we had sought to maintain the margin of superiority we had as of any given date—let us say, 1959 or 1960 or 1961—we would be, I think, having to spend vastly more on our weapons systems. We would be adding more and more ICBM launchers, and so on, without any proportional contribution to our national security.

I think what we are facing now is essentially a different era in which it has now become important to recognize that deterrent capability rests to a large degree upon the ability to deter a first strike and that it is in the interest of both sides to limit national investments in weaponry that simply adds in effect to a capacity for overkill.

Senator BYRD. Mr. Richardson, what is your philosophy toward loaning money to financially troubled defense contractors?

Secretary RICHARDSON. I believe that there are provisions of law that deal with this, and one is in the Defense Production Act and, in effect, directly deals with loans as such in the formal sense. I don't believe that this has been invoked much, if at all.

Then there is provision, at least in the case of ship construction, for the kind of—no, I guess it goes beyond ship construction, for advances under a contract. I think what this covers is a situation where progress payments might in the ordinary course amount to 80 percent of the value of the work done, and the other 20 percent is withheld. Under this advance authority the balance may be also in effect lent to the contractor subject to interest payment requirements and so on, in order to enable the contractor to keep the work going. So when you ask me what is my philosophy toward it, I would say I think there might well be situations in which we should invoke the legal authority that does exist, but I hope that this would be sparing, and in general, of course, I would far prefer to see us deal with suppliers who can finance construction or production through their own working capital.

Senator BYRD. Do you think there should be a limitation on the amount of loans that may be made to defense contractors?

Secretary RICHARDSON. I think there is a \$20 million limit in the first act I referred to and, in the second instance, the amount of an advance payment would be limited inherently to the amount due the contractor under the contract. I don't have any sufficient information to answer the question where there ought to be any further limitations beyond these.

Senator BYRD. Do you favor or oppose the Lockheed loan?

Secretary RICHARDSON. I don't know much about it. That was not, I believe, a loan in which the Defense Department was involved. The planes in question were civilian planes, and I don't really know.

Senator BYRD. What is your general philosophy on it, your general feeling about it?

Secretary RICHARDSON. My general feeling is that from the standpoint of defense procurement we should insist upon fulfillment of contracts and oppose bailouts of suppliers or contractors. I think we have a lot more riding on this in terms of confidence of the public and Congress in the procurement process generally than we are likely to gain by a bailout in any given case. Put the other way around, I think we need to operate on a basis that makes clear that the terms of our contracts are to be carried out as far as we have any power to require it.

Senator BYRD. Well, your general view is, your view is, then that the Defense Department should hold the defense contractors to the contracts they agreed to, is that it?

Secretary RICHARDSON. Yes. Definitely.

Senator BYRD. Do you plan to see that that is done when you become Secretary of Defense?

Secretary RICHARDSON. Yes. This is also a matter which you may wish to discuss with Mr. Clements when he appears before you. I think we see eye to eye on it.

Senator BYRD. Ultimately, of course, it is the Secretary of Defense who will make the ultimate decision.

Secretary RICHARDSON. Oh, yes—

Senator BYRD. I wanted to get the view of the Secretary of Defense.

Secretary RICHARDSON. I appreciate that. I feel that I have given it to you. But I just wanted to add the point that this is also the view of the Deputy Secretary, assuming we are both confirmed, who will, because of the business expertise that Senator Bentsen referred to, be

relied upon very extensively on my part for his contribution in this area.

Senator BYRD. Mr. Richardson, if you are confirmed as Secretary of Defense will you provide to the appropriate committees all information and data that the committees deem necessary to adequately evaluate the requirements and utilization of funds?

Secretary RICHARDSON. Yes.

Senator BYRD. That will be all information and data the committee deems necessary, not what the Defense Department might deem necessary.

Secretary RICHARDSON. I suppose I ought in the interests of caution to enter a note that there may be—I suppose I might leave the reservation that there might be—some argument over the scope of a requirement by the committee. In terms of the burden on clerical work and so on, we might want to try to convince the committee that the data in the form we have it was adequate for the purpose rather than producing it in a different way. But in general I would certainly agree.

Senator BYRD. If you try to convince the committee. Let's assume you don't convince the committee.

Secretary RICHARDSON. I think this is theoretical. My general approach is one in which I would want to be as cooperative as possible.

Senator BYRD. I don't think it is hypothetical at all, and I am the only Member of the Senate to serve on both the Armed Services Committee and the Finance Committee and I remember the Finance Committee had grave difficulty in getting some information from HEW when you were Secretary of HEW, so I do not think it is a hypothetical question. I think the committee is entitled to know whether you will or will not submit to the committee information and data that the committee feels is necessary to do our duties.

Secretary RICHARDSON. Yes, the answer is yes.

Senator BYRD. Fine. Let it stand if you wish.

Secretary RICHARDSON. As to the Finance Committee and HEW, we never refused to provide any information. We were slow about it at times.

Senator BYRD. You just did not provide it.

Secretary RICHARDSON. I don't believe there is any case where we did not furnish any information.

Senator BYRD. I am reminded very specifically that Senator Ribicoff, I think it was 6 months or 4 months before he got it, and he didn't get what he wanted when he got it, when he got what he got from the Department of HEW.

Secretary RICHARDSON. Well—

Senator BYRD. We will forget the Finance Committee and HEW.

Let me ask you this again: Mr. Richardson, will you, if confirmed as Secretary of Defense, provide to the appropriate committees all information and data that the committees deem necessary, the committees deem necessary, to adequately evaluate the requirements and utilization of funds?

Secretary RICHARDSON. Yes.

Senator BYRD. Do you feel, Mr. Richardson, that you would favor eliminating some lower priority programs entirely from the budget or would you be trying to stretch out many programs to meet the defense program?

Secretary RICHARDSON. I think we are going to have to make some eliminations and consolidations. As I said earlier in the course of these hearings, my general view is that we should try to maintain our existing military capability in general and we should try to keep it, taking into account technological change and so on, at least at its present level, subject of course to any subsequent agreement. To do that is going to take a lot of effort, I believe, to make more efficient use of our resources, including our manpower. And this I would expect will mean that we will get rid of some things in order to focus on higher priorities.

Senator BYRD. What is your personal opinion of an all-volunteer military force?

Secretary RICHARDSON. I think it is a valid objective. I think in a country of this size it would be virtually impossible in peacetime to administer a draft requirement to fill places in the armed services requiring quite high levels of skill. It is one thing to operate on a universal service requirement where the principal elements of the Armed Forces are relatively untrained ground troops. But in this country, in the foreseeable future, if we had a draft and continued to rely on it, it seems to me it would almost inevitably be inequitable in application because a relatively small proportion of young men would be inducted, and so I think it is very important to seek to make the all-volunteer force work if we possibly can.

Senator BYRD. Manpower costs broadly defined presently comprise approximately two-thirds of the entire U.S. defense budget. On the other hand, the Soviets spend 25 to 30 percent of their budget on manpower. How are we going to provide for the necessary weapons systems, tanks and guns, and what have you, with such a high percentage of the budget going to personnel costs?

Secretary RICHARDSON. I can only say it is going to be very difficult, and this does mean that we, as I said earlier, have got to seek economies wherever possible in other directions, including the use of manpower itself. It means that we may be able to—we should—seek some reductions in numbers of uniformed personnel where this can be done without reduction of combat effectiveness. I am sure a lot of effort has already gone into this, and I don't want to seem to imply that we can squeeze out very large numbers of people in military superstructures or support units, but I think we have got to look at that again and get out those we can, and I think we ought to continue the effort to identify functions that can be performed by civilians, and I think we also need to make optimum use of technological means of labor saving, that kind of thing.

Senator BYRD. You have in mind, I take it, to perhaps reduce the number of military personnel which now stands, as I recall, at 2.4 million, and you are looking toward reducing that figure.

Secretary RICHARDSON. Yes, but as I have indicated at each point where this has come up, I would hope that this could be accomplished through the kind of means I have referred to, and not at the expense of combat capability. I would struggle very hard to find ways of reducing costs and reducing numbers.

To put it another way, I would be very reluctant to reduce manpower by eliminating divisions or by eliminating air squadrons entirely. As I have said earlier, one of the directions I think it would be worthwhile to look into would be the possibility that some units could

be maintained at less than full strength, with designated Reserve personnel slotted for positions that would bring them up to strength quickly. If that were done to the extent that it is feasible, it would be an application of the total force concept that might allow us to rely to a somewhat greater extent on Reserve personnel and to a somewhat lesser extent on Regular personnel.

I am simply saying these are the kinds of places that I would look to first rather than just chopping off combat units.

Senator BYRD. Well, are you concerned about the manpower costs in relation to the higher percentage of the defense dollar that it consumes?

Secretary RICHARDSON. Very much so.

Senator BYRD. You mentioned several times today that recommendations would be submitted to the Congress in regard to the all-volunteer force and at one point or several points I asked you if you mean in relation to money and, as I recall, you answered "Yes."

If the defense dollar now takes two-thirds for manpower costs, and you have plans for additional expenditures along that line, won't that further shrink the amount of money which would be available for actual defense?

Secretary RICHARDSON. Yes; well, I would hope we could stabilize the ratio of the defense dollar that goes into manpower at roughly its present level.

Senator BYRD. What you say is very high at its present level?

Secretary RICHARDSON. I think we have got to fight hard to keep it from getting any higher. If we can reduce it so much the better. Pursuing what I said this morning, if we are looking toward a period in which we have a relatively stable total dollar investment in military capability, then we can improve that capability or maintain it only through combining a whole series of measures that are designed to improve effectiveness and reduce costs simultaneously.

I don't believe that it is likely to be any one thing. I think it is likely to be the result of—if we achieve this—of a whole long series of measures, some of which I have touched on.

Senator BYRD. But you are concerned, as I understand it, you are concerned that manpower related costs take two-thirds of the defense dollar?

Secretary RICHARDSON. Yes.

Senator BYRD. Gen. Bruce C. Clark made this statement, and it touches on the question by Senator Hughes earlier today, General Clark made this statement:

To the best of my ability each member of my unit, regardless of race or other background, will receive promotions, assignments, awards and opportunities based solely on merit and ability.

Do you agree with that statement?

Secretary RICHARDSON. Yes; I do.

Senator BYRD. So do I.

Now, he made another statement, the second sentence of the first statement:

Nothing will be denied because of race nor will anything not deserved be accorded because of race.

Do you agree with that?

Secretary RICHARDSON. Yes; I don't want to be understood as saying that I don't believe we should be doing some things that in a sense are deserved because of race; where, for example, there has been discrimination, we should take steps to end it, where there is a need for assistance in developing better understanding between races, I think it is important to do that kind of thing, and I believe some very good things have been done along those lines.

Senator BYRD. I will read the statement again so we will understand it:

Nothing will be denied because of race nor will anything not deserved be accorded because of race.

How do you answer that?

Secretary RICHARDSON. As I did before, I agree with it.

Senator BYRD. You agree with it, fine.

Secretary RICHARDSON. What I added is only by way of assuring that my answer would not be misunderstood.

Senator BYRD. I don't think your answer could be misunderstood if you answered it with the one word, yes, "nothing will be denied because of race nor will anything not deserved be accorded because of race."

Does that require qualification?

Secretary RICHARDSON. I don't know that it requires it. I felt that it would be useful for the record to supply it.

Senator BYRD. Put your qualification on it. If you don't agree with this assertion, what is your qualification?

Secretary RICHARDSON. It is not a qualification, Senator. I can't add to it—I think the record at this point is perfectly adequate on that.

Senator BYRD. There is no qualification to it.

Secretary RICHARDSON. No, but what I added was not qualification.

The CHAIRMAN. We will suspend the taking of any more testimony at this point. The Chair has a few announcements to make. We are unable to conclude this hearing this afternoon. If it is agreeable to the committee I propose to recess in a few minutes until 10 o'clock tomorrow morning at which time Senator Byrd will be recognized first.

Tomorrow afternoon in this same room, assuming we get through with Mr. Richardson's nomination and testimony in open session, we will begin at 2:30 the open hearings on Mr. Clements for Deputy Secretary of Defense.

We will insert at this point a letter signed by Elliot L. Richardson, dated January 5, 1973, regarding his financial matters.

(The information follows:)

THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE,
Washington, D.C., January 5, 1973.

HON. JOHN C. STENNIS,
Chairman, Committee on Armed Services,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This letter is submitted in connection with my nomination as Secretary of Defense which is now pending before your Committee on the question of advice and consent of the Senate to the nomination in order to advise you of my financial interests as they relate to the position for which I have been nominated.

At the present, all of my investments are held in a "blind" trust which was created with Mr. James B. Ames of Cambridge, Massachusetts, and Mr. Edwin D. Brooks of Concord, Massachusetts, as trustees, in early 1969 when I took office as Under Secretary of State. This trust provides that the trustees will not disclose to me the identity and amounts of investments under the trust so long as I remain in Government service.

Although the investment portfolio of this "blind" trust is not known to me, I assume that it contains a variety of common stocks, a number of which may be on the Statistical List of Prime Defense Contractors (hereinafter referred to as "The List").

In the latter part of December 1972, I established an irrevocable trust with my wife and children as beneficiaries. I have no reversionary interest in either the income or corpus of this family trust. A copy of the instrument establishing this family trust is attached for your information.

On January 2nd of this year, I directed the trustees of the "blind" trust to transfer from the "blind" trust to the irrevocable trust for my wife and children investments not to exceed an established amount. Although I am not aware of the identity of the specific investments so transferred, I again assume that some of those so transferred are on "The List."

I have requested the trustees of my irrevocable family trust not to invest in companies on "The List" during the period I serve as Secretary of Defense, should my nomination be confirmed by the Senate.

If my nomination is confirmed by the Senate, I will direct the trustees of my "blind" trust to divest the trust of all investments on "The List" within 90 days, and after payment of taxes and expenses, to reinvest the proceeds in securities or investments not on "The List," with the exception of one common stock currently held as a part of the portfolio of my "blind" trust. Although I do not know the identity of the company, I am advised by the trustees of my "blind" trust that after consultation with the General Counsel of the Department of Defense that the possibility of a conflict of interest arising from my retention of this stock is so completely remote that the Committee's permission to retain this investment should be requested.

I have asked the General Counsel of the Department of Defense to ascertain from my trustees the identity of any investments on "The List" which are held as a part of the corpus of my irrevocable family trust and to report them to the Committee. I have also asked the General Counsel of the Department of Defense to ascertain from the trustees of my "blind" trust the identity of any investments on "The List" and to report them to the Committee. Additionally, I have asked the General Counsel of the Department of Defense to ascertain and report to the Committee the identity of the company the investment in which my trustees have recommended that I request the permission of the Committee to have retained in the "blind" trust, together with the special circumstances in connection with this investment.

I trust that this plan of divestment complies with the Committee's rules, and I sincerely hope that you and your Committee will approve of this plan.

Sincerely,

ELLIOT L. RICHARDSON.

The CHAIRMAN. I ask unanimous consent that the names of the police officers on duty in the caucus room today whom I have previously complemented be included in the record at this point.

Officers K. D. Riggin, R. L. Hall, K. E. Jones, J. C. Allbritton, F. P. Buscher and D. G. Connell, Sgt. L. R. Hill, Lt. J. O. Blackston, Capt. W. W. Kirby, Lt. R. O. Jenkins, Sgt. A. W. Husted, Officers C. A. Holapa, W. P. Powling, J. M. McCawley, T. M. Senko, and J. T. Seabo.

The CHAIRMAN. I have had a conference with a young lady, Judith Vadnai, and asked her to express her thoughts in the nature of a question, and I now read it to you, Mr. Secretary, and we will include it in the record. I know you will give it your attention and give us an answer: The statement addressed to me, reads:

I, Judith Vadnai from West Orange, N.J., have recently returned from South Vietnam and I have seen both the horror and the futility, of this war. I can personally testify to the fact that neither the Vietnamese people nor the American people want this war. Therefore, I ask you in the name of the people, Mr. Richardson, if you take office are you going to end the war in Vietnam now, pull out our forces, and stop the bombing immediately without further rationalizing that war brings peace?

Yes or no?

Signed by the questioner.

I know you will give that your attention and answer for the record.

Secretary RICHARDSON. Yes. Would you like the answer now, Mr. Chairman?

The CHAIRMAN. You can answer it now if you want to briefly.

Secretary RICHARDSON. I think perhaps it would be simpler in the end if I answered it right now.

No one is more anxious than I to see the war brought to an end on the kind of terms which President Nixon has so strenuously pursued, but I obviously cannot answer the question yes or no as it applies to myself because as Secretary of Defense I would not in any case have the power to do the things that are touched on there.

As a matter of my personal policy I have been and will continue to be a supporter of the President's objectives and, of course, the strategy the President has been pursuing to bring the war to as early and honorable an end as possible.

The CHAIRMAN. Members of the staff, this young lady she has been very courteous and understanding about this matter. Her question has been asked now, and answered.

Mr. Richardson, one of the issues which came up in connection with your nomination as Under Secretary of State related to several traffic violations which you incurred at an early point in life.

This matter was covered fully during the hearings on this nomination, and the Chair would like to include, as a part of our record, the hearings of the Foreign Relations Committee on this matter, which I think fully covers the issue unless you have something further to add.

(The hearings follow:)

NOMINATION OF ELLIOT L. RICHARDSON
TO BE UNDER SECRETARY OF STATE

HEARING

BEFORE THE

COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE
NINETY-FIRST CONGRESS

FIRST SESSION

ON

THE NOMINATION OF ELLIOT L. RICHARDSON TO BE
UNDER SECRETARY OF STATE

JANUARY 15, 1969

Printed for the use of the Committee on Foreign Relations

U.S. GOVERNMENT PRINTING OFFICE

WASHINGTON: 1969

COMMITTEE ON FOREIGN RELATIONS

J. W. FULBRIGHT, Arkansas, *Chairman*

JOHN SPARKMAN, Alabama
MIKE MANSFIELD, Montana
ALBERT GORE, Tennessee
FRANK CHURCH, Idaho
STUART SYMINGTON, Missouri
THOMAS J. DODD, Connecticut
CLAIBORNE PELL, Rhode Island

GALE W. McGEE, Wyoming
GEORGE D. AIKEN, Vermont
KARL E. MUNDT, South Dakota
CLIFFORD P. CASE, New Jersey
JOHN SHERMAN COOPER, Kentucky
JOHN J. WILLIAMS, Delaware
JACOB K. JAVITS, New York

CARL MARCY, *Chief of Staff*

ARTHUR M. KUHL, *Chief Clerk*

(101)

NOMINATION OF ELLIOT L. RICHARDSON TO BE UNDER SECRETARY OF STATE

WEDNESDAY, JANUARY 15, 1969

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, pursuant to notice, at 11:50 a.m., in room S-116, the Capitol Building, Senator J. W. Fulbright (chairman) presiding.

Present: Senators Fulbright, Sparkman, Mansfield, Gore, Symington, Dodd, McGee, Aiken, Mundt, Case, Cooper, Williams, and Javits.

The CHAIRMAN. The committee will come to order.

We are hearing in open session this morning Mr. Elliot L. Richardson, who has been designated by the incoming administration as Under Secretary of State. (A biographic sketch follows:)

ELLIOT LEE RICHARDSON

Position for which considered: Under Secretary of State.

Present Position: Attorney General of Massachusetts.

Office Address: State House, Boston, Massachusetts.

Born: July 20, 1920, Boston, Massachusetts.

Legal Residence: Massachusetts.

Marital Status: Married August 2, 1952.

Family: Wife: Anne Francis Hazard; Children: Henry Shattuck, Anne Hazard, and Michael Elliot.

Home Address: 56 Sargent Crossway, Brookline, Massachusetts.

Education: A.B. 1941, LL.B. 1947, Harvard University.

EXPERIENCE

Military, 1942-45, First Lieutenant, Fourth Infantry Division, United States Army.

Non-Government, 1950, Admitted to Massachusetts Bar; 1949-53, and 1955-56, Associate, Ropes, Gray, Best, Coolidge & Rugg, Boston; 1952, Lecturer in Law, Harvard University; 1961-64, Partner, Law Firm of Ropes and Gray, Boston.

Government, 1947-48, Law Clerk, Judge Learned Hand; 1948-49, Law Clerk, Justice Felix Frankfurter; 1953-54, Assistant, Senator Leverett Saltonstall; 1957-59, Assistant Secretary for Legislation, United States Department of Health, Education, and Welfare; 1959-61, United States Attorney, Massachusetts; 1961, Special Assistant to Attorney General of the United States; 1965-67, Lieutenant Governor of Massachusetts; 1967 to present, Attorney General of Massachusetts.

Decorations and Awards: Bronze Star Medal; Purple Heart with Oak Leaf Cluster; Special Citation, Department of Health, Education, and Welfare.

PRESENT AND FORMER MEMBERSHIPS

Past Director, New England Trust Company, Boston; Salzburg Seminar in American Studies; United Community Services, Boston.

Past President, World Affairs Council of Boston.

Director and Past Vice President, Massachusetts Bay United Fund.

Past Trustee, Brookline Public Library; Cambridge Drama Festival; Radcliffe College; Massachusetts General Hospital.

Member, Board of Overseers, Harvard University; Vice Chairman, Committee to visit the John F. Kennedy School of Government.

Member, American Law Institute; American, Massachusetts, Boston Bar Associations; Disabled American Veterans, American Legion, Veterans of Foreign Wars; Elks, Masons, etc.

Fellow, American Academy of Arts and Sciences, American Bar Foundation.

PUBLICATIONS

Freedom of Speech and the Function of Courts, *Harvard Law Review*; Poisoned Politics, *The Real Tragedy of Massachusetts*, *Atlantic Monthly*; Judicial Intervention in the Civil Rights Movement, *Boston University Law Review*; Significant Individual Participation: The New Challenge in American Government, *University of Chicago Law School Record*; A Politician Looks at Medical Education (Lowell Lecture), *Harvard University Press*; and other articles on legal and social subjects.

The CHAIRMAN. Senator Brooke from Massachusetts has requested the opportunity to introduce Mr. Richardson to the committee.

STATEMENT OF HON. EDWARD W. BROOKE, U.S. SENATOR FROM MASSACHUSETTS

Senator BROOKE. Mr. Chairman, and members of the committee, I thank you for your courtesy and for giving me this opportunity to introduce Mr. Richardson. It gives me profound pleasure to introduce him, the nominee of the President-elect, for the position of Under Secretary of State.

Elliot Richardson is no stranger to Washington. He served President Eisenhower as Assistant Secretary of Health, Education, and Welfare and as U.S. attorney for Massachusetts. He was a valued assistant to my distinguished predecessor, Senator Leverett Saltonstall. He has twice been elected by the people of Massachusetts to serve as Lieutenant Governor and attorney general.

In his capacity as Lieutenant Governor, Elliot Richardson drafted special messages to the legislature. His ideas in many instances became public policy.

Elliot Richardson is an avid and understanding student of foreign affairs. He brings to his new duties an inquiring mind, good judgment and, perhaps most important of all, fresh perspectives and a receptivity to new solutions for old and vexing problems.

I might add, Mr. Chairman, that he received his training at Harvard University Law School, where he was the distinguished editor-in-chief of the *Harvard Law Review*.

I would like to commend both the man and his record to you and urge you to grant prompt and hearty confirmation to an able and effective public servant.

LETTER FROM SENATOR SALTONSTALL

Mr. Chairman, I received today, a telephone communication from former Senator Leverett Saltonstall, who addressed a letter to me, to be presented to the committee, which had not arrived as of this morning. So I asked Senator Saltonstall to dictate that letter so that I could read it into the record, I will later give the actual letter itself to this committee.

"DEAR ED: I enclose herewith a letter which I would appreciate very much your reading to the Senate Foreign Relations Committee when you present Elliot Richardson to them for confirmation as Under Secretary of State.

"As you well know from our conversation, I have a very high regard for Elliot, and I am sure that he will be of assistance to Secretary Rogers and President Nixon.

"With thanks and best regards to you personally, I am,

"Sincerely yours,

"LEVERETT SALTONSTALL."

The letter reads as follows:

"Hon. J. W. FULBRIGHT,

"*Chairman, Senate Foreign Relations Committee,*

"*Capitol, Washington, D.C.*

"MY DEAR MR. CHAIRMAN: You will have before you for confirmation to be the Under Secretary of State Elliot L. Richardson, attorney general of Massachusetts.

"May I respectfully give you my wholehearted endorsement of this nomination. I have known Elliot Richardson for 15 years. He worked for me as my legislative aide in my office in the U.S. Senate. Later I recommended him for the appointment of Federal District Attorney in Massachusetts. Afterward he became our Lieutenant Governor. However, he chose as a matter of public service to run for the attorney generalship of our State rather than to be a candidate for reelection. He is now serving efficiently and creatively in that office. I believe you will find that he has advanced a number of recommendations for improving the administration of civil and criminal justice.

"I am sure you will find him intelligent, articulate, and of sound judgment in the many difficult situations which he will face as Under Secretary of State if and when confirmed.

"If there are any questions which you or the members of your distinguished committee may think that I can be helpful in answering, I will be only too glad to do so.

"With kind personal regards, I am,

"Sincerely yours,

LEVERETT SALTONSTALL."

DRIVING INFRACTIONS

Mr. Chairman, you referred in earlier remarks to a matter relating to driving infractions on the part of Mr. Elliot Richardson. I have known Mr. Richardson for some time, having served as his predecessor in the office of attorney general of the Commonwealth of Massachusetts. I have watched very closely the campaigns in Massachusetts in which he has been involved since 1962. In each of the campaigns in which Mr. Richardson has been involved, these driving infractions have been brought to the attention of the electorate of Massachusetts, and in each instance the electorate has overwhelmingly elected Elliot Richardson as a Lieutenant Governor of the Commonwealth, where he has served with great distinction, and more recently as attorney general, where he has also served with great distinction and which office he presently holds in the Commonwealth of Massachusetts.

I only put this on the record, Mr. Chairman, because I wanted it to be known that the people of Massachusetts have been well-informed of these driving infractions which the committee will later find out were in his earlier days. Mr. Richardson certainly has served with distinction in responsible and very sensitive positions in our State government since that time.

I want to thank you, Mr. Chairman and members of the committee, for the opportunity to present him to you at this time.

The CHAIRMAN. Thank you, Senator Brooke. I appreciate your coming and giving the committee your knowledge and advice on this nomination.

Mr. Richardson, I wonder if you can tell the committee about your experience with particular reference to the responsibilities of this office.

STATEMENT OF ELLIOTT L. RICHARDSON, NOMINEE TO BE UNDER SECRETARY OF STATE

Mr. RICHARDSON. Thank you very much, Mr. Chairman and members of the committee.

My good friend, Senator Brooke, let me say before he leaves, that I very much appreciate his presenting me to you and the kindness and generosity of his remarks.

Senator BROOKE. May I say, Mr. Chairman, I have to go to the Armed Services Committee. If at any time the committee wishes further information pertaining to Mr. Richardson, I will be happy to furnish it.

The CHAIRMAN. Thank you, sir.

Mr. RICHARDSON. I feel deeply honored, Mr. Chairman and members of the committee, by the confidence in me reflected in the fact that the President-elect and the Secretary of State-designate have proposed my name for the very responsible and very sensitive position of Under Secretary of State.

RELEVANCE OF PAST EXPERIENCE TO PRESENT NOMINATION

Much of my past experience, I think, has a very real kind of relevance for this important and indeed from my present perspective awesome responsibility, although comparatively little of it is directly in the area of foreign policy itself.

I have served, as Senator Brooke has mentioned, here on Capitol Hill as an assistant to Senator Saltonstall for 2 years when he was the chairman of the Armed Services Committee. More recently I served for 3 years in the Department of Health, Education, and Welfare as the Assistant Secretary for Legislation, with responsibilities both for the development of legislative programs and their presentation to the Congress, and in that capacity I had the pleasure and the privilege of having the opportunity to appear before various committees on both sides of the Congress, particularly on occasion to deal in matters of educational legislation with two of the present members of this committee, Senator Cooper and Senator Case.

I left Washington in 1959 to become U.S. Attorney for the District of Massachusetts and served in that capacity from September 1959 until the spring of 1961 or, in other words, until shortly after the Kennedy administration took office.

At the end of that period I was Special Assistant to the Attorney General of the United States for purposes of completing the income tax evasion prosecution of Bernard Goldfine. I became a candidate for the Republican nomination of attorney general of Massachusetts in 1962, was nominated and elected Lieutenant Governor in 1964, and then nominated and elected attorney general in 1966.

In much of the work that I have done there has been required, as I see it, a combination of the necessity for identifying the considerations relevant to decisions. I had the great privilege many years ago of serving as a law clerk first to Chief Judge Learned Hand of the Second Circuit Court of Appeals, and the following year to Supreme Court Justice Felix Frankfurter, and Mr. Justice Frankfurter was prone to observe from time to time that a lawyer is or should be an expert in relevance, and I feel that the quality and character of the legal training I have had has assisted in the development of this capacity.

I have learned over the years to recognize that no one is so well-informed or so intelligent that he can afford to deal with difficult questions of judgment without the benefit of the input of the ideas of others, and so I have had occasion over the years to preside or at least to participate in many kinds of meetings, in which I have found that very often it is possible to elicit from the views and the ideas of others at those meetings, a collective judgment which is not simply a bland common denominator or consensus, but a genuinely constructive result of the process of deliberation and better often than any one individual would have been able to produce at the outset of the meeting.

This, in turn, I think, is related to what I believe to be a capacity developed over the years, and that is to work with other people on a basis of mutual understanding and respect and, thereby, I think, to elicit their own best effort in a common enterprise.

These are all, I think, qualities that can be of real value in the responsibilities for which I have been proposed.

ROLE OF AN ALTER EGO

I would only add one more, I have worked over the years for a series of extraordinarily distinguished men, Learned Hand, Felix Frankfurter, Leverett Saltonstall, and Christian Herter. I served Secretary Herter briefly as his counsel

when he was Governor, and worked on speeches for him, one of them a major speech on foreign policy which he gave to the Foreign Relations Council of Chicago. I subsequently worked for Marion Folsom, who was my immediate chief in the Department of Health, Education, and Welfare; then Arthur Flemming. I then served under Mr. Rogers when he was Attorney General.

As Lieutenant Governor, I had, I think, for the very first time a defined responsibility, in that case for the coordination of health, education, and welfare programs, and I am sure, I think it can fairly be said in each of these roles I have been a loyal lieutenant, I have worked with these men on a basis which I think can fairly be said to equip me for the role of an alter ego of the Secretary, which, as he has indicated before, he believes to be the role that the Under Secretary should fulfill.

The CHAIRMAN. Senator Sparkman.

Senator SPARKMAN. Mr. Richardson, may I break in there?

As I said a few minutes ago, I must get to the Senate floor immediately. I do not care to ask any questions, Mr. Chairman, but I will just say, Mr. Richardson, that I hope you have a very successful tenure in high office.

Mr. RICHARDSON. Thank you very much, Senator. I appreciate it.

I had just about two more brief points, Mr. Chairman.

LONG INTEREST IN FOREIGN POLICY

One is that I have had a, if not lifelong, at least as long as I can remember, a very deep interest in the problems of foreign relations and foreign policy. My information in the area is only that of an interested and concerned citizen, but I have been interested enough so that I did for 3 years serve as the president of the World Affairs Council of Boston, and I think contributed to making it a more effective organization for the expression of citizen interest and concern and an opportunity for all the people of the area to become better informed.

The only other thing I would like to say is that I welcome and appreciate the committee's granting of an opportunity to me to appear before you in open session so that I could respond to the questions that have been raised about my driving record.

QUESTIONS RAISED ABOUT DRIVING RECORD

It is, as Senator Brooke has said, a matter that has figured in all my political campaigns in Massachusetts, 1962, 1964, and 1966; all the information about it was first made available by me to the press in 1962. The actual compilation of that information arose out of an investigation I conducted as U.S. attorney, and the target of that investigation was in the first instance responsible for the compilation of this material. But I had always, in filling out federal forms 57, noted the two infractions, which seemed to me to fall outside the area of minor traffic violations, and because I did not wish anyone to entrust me with responsibility without being aware of these things.

I have on three occasions been cleared for sensitive responsibilities as the result of full field investigations by the FBI: once in 1953 for appointment to the staff of Senator Saltonstall, since he was then chairman of Armed Services; at the time of my nomination by President Eisenhower as Assistant Secretary of Health, Education, and Welfare, I received a Q clearance in 1957; and the third FBI full field investigation was in 1959 at the time of my nomination as U.S. attorney.

I will be glad to go further into the circumstances of this record at a later point in the hearing.

The CHAIRMAN. Since you have brought the matter up, I would like to say this for the record: that when this meeting was set I was not aware of any of these events you referred to. No one had brought them to my attention. Yesterday, it was brought to my attention that there had been rumors in certain news columns. Mr. Richardson and Mr. Rogers then requested that this matter be discussed in public in order to give an opportunity to clear it up.

So now that we have come to this point, I think you should describe the matter of your driving record as fully and clearly as possible so that it will be on the record.

(Statement of Mr. Elliot follows:)

"Motor vehicle convictions have been used in a campaign of distortion by persons trying to block my election as Attorney General. The information is and has been a matter of public record. The story has been reported in the press in some detail.

"The two significant offenses took place in 1939 and 1951. I have made full disclosures as required by law when applying for the Massachusetts Bar and for federal employment in sensitive positions. I have been cleared three times for such positions after exhaustive checks by the FBI and twice was confirmed unanimously by the United States Senate, first as Assistant Secretary of Health, Education, and Welfare and then as United States Attorney for Massachusetts.

"On May 8, 1939, at age 18, I ran into a traffic island in Kenmore Square, blew out a tire and was arrested for driving under the influence and so as to endanger. No one was hurt and no property damage was involved. I pleaded guilty, paid \$75 in fines and lost my license for a year.

"Twelve years later on May 11, 1951, I turned the corner of a back street in Brookline, drove up on the sidewalk and knocked down a traffic sign. I pleaded guilty to a charge of driving to endanger, paid a \$200 fine and lost my license for four months.

"Massachusetts records also show between 1938 and 1950—two speeding offenses, total fines \$15; one violation involving two charges of not slowing down, total fines \$15; and one charge of failure to observe a traffic sign, \$2 costs paid.

I lived in Washington, D.C., for a total of six years and twice was stopped for speeding and three times for failure to observe traffic signs. Court action was not required in any of the Washington cases and the violations do not constitute convictions. I forfeited collateral of \$5 to \$15 in each case. The first speeding offense, in 1949, was followed by a 30-day suspension."

DESCRIPTION OF SIGNIFICANT VIOLATIONS

Senator JAVITS. Would the chair mind, I would like to know for myself, Mr. Richardson—I know you well and I have great faith in you—but I do think you ought to explain the reason for this series of traffic and other violations. I am much older than you and I do not think I have had nearly as many. What is the reason for them?

The CHAIRMAN. That is what I mean. Just give us a full description of what was involved. I am unaware of other than superficial information so I think it is a good time to discuss this in public.

Mr. RICHARDSON. Well, I am glad to have the opportunity to do this and let me, first of all, simply seek to get the facts on the record in more or less chronological order.

The CHAIRMAN. Yes, that would be fine.

Mr. RICHARDSON. There are two significant violations involved. The others, I think, could fairly be characterized as minor traffic violations, although I think Senator Javits raised a fair question with respect to their number.

The first of the significant violations occurred on May 8, 1939. I was then 18 years of age, a sophomore in college. I drove from Cambridge into Boston, ran into a traffic island, blew out a tire, was approached by a police officer, who observed that I was plainly under the influence of alcoholic beverages and I was duly escorted to the nearest police station. I pleaded guilty the following day without, I might add, seeking representation of counsel, and paid \$75 in fines and my driving license was suspended for a year.

In that instance, the only extenuating consideration I can offer is that I had been at a party at one of the Harvard houses where they had one of these rum fruit punches, whose lethal character was well disguised by the fruit. At any rate, that was the first of these episodes.

Now, 12 years later, and on May 11, 1951, at an early hour in the morning I turned a corner of a back street in my own town of Brookline, drove up on the sidewalk and knocked down a traffic sign. In this instance again I pleaded guilty to, this time, the charge of driving to endanger. I should have stated earlier in 1939 there were two charges in fact at the same time, on driving to endanger and the other driving under the influence. In this instance there was one charge of driving to endanger, for which I paid a \$200 fine and lost my license for 4 months. Although no charge of driving under the influence was made at the time, I admitted to the police officer that I had had a few drinks during the course of the evening.

MINOR OFFENSES

Massachusetts records also show between 1938 and 1952 speeding offenses with total fines of \$15, one violation involving two charges of not slowing down, total fines of \$15, and one charge of failure to observe a traffic sign, \$2 cost paid.

I have lived in Washington for a total of 6 years.
 Senator JAVITS. What were those years?
 Mr. RICHARDSON. 1948, 1949, I was a law clerk for Mr. Justice Frankfurter, 1953 and 1954 as assistant to Senator Saltonstall, and late 1956 through late 1959 as Assistant Secretary of HEW, and during those years I was stopped twice for speeding, once in 1949 in the beginning of the period, and once in 1957, charged with going 40 miles an hour in a 30-mile zone, and I was stopped three times during those 6 years for failure to observe traffic signs. None of these instances required court action, and the violations technically do not constitute convictions. I forfeited collateral of \$5 and two \$15 in each case.

The 1949 speeding charge was followed by a 30-day suspension.

Senator JAVITS. When was the last charge?

Mr. RICHARDSON. The last of all, the only recent one was, the last of the Washington charges was in 1957.

Senator JAVITS. And nothing after that?

Mr. RICHARDSON. The only thing after that was a speeding charge in New Hampshire on January 24, 1964. This was a situation of entering a small town with a posted lower rate of speed in the town and I didn't, simply did not slow down soon enough or rapidly enough.

Senator JAVITS. Do you consider this succession of events unusual or are you just unlucky?

Mr. RICHARDSON. I think it is in degree unusual. I think the incidents since 1951 are probably not unusual. Before that in the cluster of these violations in my college years more or less, I think, certainly exhibits what can only be characterized as immaturity.

I certainly do not, particularly having served as a law enforcement officer myself, want to sound as if I thought that these violations were matters of no concern, and I am by no means proud of them, but I think it is also fair to say that I have never concealed them. I have answered many questions about them, particularly since I first became a candidate for elective office, and I think it is of some interest that in previous situations in which I was proposed for appointed office, questions about these were not raised.

INFERENCE OF ALCOHOLISM HIT

There is one further point, Mr. Chairman and members of the committee, which I think is perhaps even more important that I deal with, at least it is of coordinate importance. I have seen the text of a nationally syndicated column which was mailed out, I believe, yesterday, at least received yesterday, by subscribing newspapers. It recites many of the circumstances which I have just described to you, but it couples this with the assertion, or at least the plain inference, that I am an alcoholic, and I think it quite important to hit that inference squarely and directly. It is absolutely without foundation.

A great many people have known me and worked with me over the years and many of course know me well now, and I cannot believe that even my enemies, certainly none whose truthfulness, at least, could be accepted, would make any such assertion or characterization.

The only violations in this record that have involved alcohol at all were the first one at the age of 18, and the 1951 episode, in which this was not actually a charge but in which I admitted some involvement.

I might add as a possible comment on Senator Javits' question that, having served as a law enforcement officer and having served in politics, I have had some occasion to become aware of how commonly individuals seek to fix traffic violations. It has always been a matter of strong principle with me that one did not do that kind of thing. I have never sought in any way to influence any of these situations, and indeed I think it is of some significance that in each case, in the case of the two more serious violations, I made no attempt to escape what I recognized to be the penalties that were justly due.

The CHAIRMAN. Have you outlined the complete record so there is nothing to be added?

Mr. RICHARDSON. Yes, I have.

INJURY TO ANOTHER PERSON

The CHAIRMAN. Have you in any of these instances ever collided with another car and done serious damage to anyone else?

Mr. RICHARDSON. No, the first of these instances, the only injury was to the tire.

The CHAIRMAN. But your own?

Mr. RICHARDSON. My own car.

The CHAIRMAN. You collided with no other car?

Mr. RICHARDSON. That is correct, no other car. In the second instance, the sign.

The CHAIRMAN. Have you ever hit a person in any of these instances?

Mr. RICHARDSON. No.

The CHAIRMAN. Have you ever injured a person other than yourself?

Mr. RICHARDSON. I did on one occasion injure a person, but not in any of these circumstances. It was a case in which no liability or fault was found in my case.

The CHAIRMAN. In this series of traffic accidents, were they of a serious nature involving serious harm to other people? I am coming to a further question.

Mr. RICHARDSON. They did not.

The CHAIRMAN. They did not.

In your brief discussion with me during what is a customary visit, you did not refer to these incidents at all, did you?

MAKING THE MATTER PUBLIC

Mr. RICHARDSON. No.

The CHAIRMAN. The reason I ask that is that although I have not seen the column you referred to, I understand it alleges that the reason why I had originally set the meeting to be executive was in order to cover up for this matter of the driving record. I only wish to make it plain I did not know anything about it until yesterday and that you had not mentioned it to me nor had anyone else. I didn't know until I heard about it through the staff yesterday. I thought it would be a good idea to make this public to see what there was to it.

Mr. Rogers, who I assume had something to do with your selection, was aware of these matters when he recommended your appointment, is that correct?

Mr. RICHARDSON. Well, I am not sure what his degree of awareness was. He stated earlier in this morning's closed session that he may have been because they were part of the record at the time my name came before him for nomination as U.S. attorney. This did not come up until after he had approached me about the possibility of my serving as Under Secretary of State.

We have discussed it since and I have made available information to members of the committee staff because I wanted the information made available. At the time I had, of course, no idea that it would be made the subject of any national publication.

ACCIDENT CAUSING BODILY INJURY

Senator JAVITS. Mr. Chairman, could we also have the facts as to the accident causing bodily injury put upon the record?

The CHAIRMAN. Yes; some other accident, it had nothing to do with an automobile.

Senator JAVITS. No; apparently it did.

Mr. RICHARDSON. This was an automobile.

The CHAIRMAN. I see.

Mr. RICHARDSON. I tried to make clear that it was not an incident covered in any of these criminal violations. The situation in which on a dark rainy late afternoon an individual, elderly, ran out from behind a parked car and he ran across the road so unexpectedly in front of me that it was impossible to stop in time. I hit him with the right front fender of the car. He was quite—he was injured enough, as I remember it, to be hospitalized for a week or 10 days to recover. He was evidently himself intoxicated at the time and had evidently made an impulsive dash across the street, and so under the circumstances there was no question, I think, on anyone's part—

Senator JAVITS. No charge was preferred. What year did this occur?

Mr. RICHARDSON. This was in 1940.

Senator JAVITS. All that time.

Senator GORE. Mr. Chairman, why are we going into this kind of matter?

The CHAIRMAN. Before you came in Mr. Richardson mentioned that a national columnist—I assume it was Pearson, is that correct?

Mr. RICHARDSON. Yes.

Senator GORE. I had an accident like that myself when I was a boy.

The CHAIRMAN. The columnist in question goes into a number of these traffic incidents, and then leaves the inference, as Mr. Richardson says, that Mr. Richardson is an alcoholic. That is why I thought it should be cleared up.

Senator JAVITS. Mr. Richardson wants it cleared up.

The CHAIRMAN. Mr. Richardson wants it cleared up. That is why he asked for an open session.

Senator AIKEN. May I ask what was your majority when you were elected Lieutenant Governor?

Mr. RICHARDSON. 25,000.

Senator AIKEN. What was your majority last year when you were elected attorney general?

Mr. RICHARDSON. 90,000.

I might add, Senator, that Governor Volpe and I were elected by 25,000 votes in 1964 when—

Senator AIKEN. When no Republican was elected.

Mr. RICHARDSON. When Mr. Humphrey and Mr. Johnson carried the States by 1.2 million votes.

Senator JAVITS. Mr. Chairman, I think it is to the credit of the witness that he himself is very anxious to have this thing thoroughly aired; and I thoroughly agree with him. I think it should be laid at rest once and for all.

The CHAIRMAN. Senator Mundt, do you have any questions?

Senator MUNDT. No. I do not think there is anything serious in this recital of facts. I would almost assume, since the Secretary of State gets a limousine and a driver, that maybe you would too. [Laughter.]

Mr. RICHARDSON. I hope so.

Senator MUNDT. No other questions.

The CHAIRMAN. Senator Case?

Senator CASE. No. I am very glad that this matter has been brought out, that you have anticipated and answered questions.

The real question that is relevant is, does this result in some incapacitating disability? As to that your testimony is clear, as is the FBI report which I will not look at. I will support your nomination.

Mr. RICHARDSON. Thank you, Senator Case.

The CHAIRMAN. Senator Cooper?

PRIOR KNOWLEDGE OF DRIVING RECORD

Senator COOPER. You were appointed Assistant Secretary in the Department of HEW, were you not? You were later appointed special assistant to the Attorney General?

Mr. RICHARDSON. I was appointed special assistant to the Attorney General, after my service as U.S. attorney, but just for the purpose of completing the *Goldfine* case.

Senator COOPER. And you also were appointed U.S. attorney in Massachusetts?

Mr. RICHARDSON. Yes.

Senator COOPER. When you were appointed by the administration of President Eisenhower, you said that the FBI was informed of these major incidents when they made their check?

Mr. RICHARDSON. Yes. I had disclosed the two significant incidents in my form 57 then, and on each previous occasion, so they would have been picked up there, and of course they would have been picked up by a check of the probation records of court records in Massachusetts anyway.

And so plainly everything I have told you has been in the FBI file in each of the three instances in which they have conducted a full field investigation.

Senator COOPER. I assume those records were made available to the committees which had jurisdiction over your appointments at that time.

Mr. RICHARDSON. I cannot answer that authoritatively. I am not sure whether they were or not. They were certainly made available to the appointing authority.

Senator COOPER. You yourself raised the question that you might be charged as an alcoholic. You worked for a number of learned judges, and Senator Leverett Saltonstall, whom we all know so well. In your service with them, did any of them ever indicate to you or characterize you as an alcoholic?

Mr. RICHARDSON. Never.

Indeed, Senator, it is fair to say that every opportunity that I have ever received to be of public service with the exception of the offices that I have sought by election have arisen out of the recommendations and the views of the people with whom I have served, that in their opinion I had done a good job.

CHARGES DURING POLITICAL CAMPAIGNS

Senator COOPER. Your record is good. But in your campaigns in Massachusetts were you charged there by your opponents or the press as being an alcoholic?

Mr. RICHARDSON. No. I think—well, the answer to that is "No." There have occasionally been what you might call whispering campaigns, and this driving record itself has been ballooned out of all proportion, and I occasionally hear some word that "Richardson is a lush," which is brought back to me from somewhere, but I think this should be understood in the context of the kind of work I have done over the last 7 years.

As U.S. attorney, I conducted a sweeping investigation of frauds in the Federal highway program in Massachusetts which resulted in the convictions of some dozen people, and which involved manipulation of land values in cases totaling \$3 million in awards.

I also initiated an investigation at that time of an individual now deceased who was widely reputed to be the most powerful political figure in the State. The result was a protracted hearing before Federal Judge Wyzanski in which the character of his operations was fully exposed.

These were later the subject of an article in the Atlantic Monthly and coverage in the New York Times, and it was initiative, following that investigation, which assembled the material which has since been circulated about me.

More recently I initiated a grand jury investigation of organized crime in southeastern Massachusetts, which has resulted in some 500 indictments, and the most recent circulation of this material is the result of the reaction of one of the individuals in that area who was himself the subject of investigation.

This has been established by the fact that the typewriter ribbon used and the type face used on the addressing of envelopes mailing out this material corresponded with typewriters used by his office for other purposes.

And I also established the first State level unit in any State government to be devoted to combating organized crime. It is headed by a man whom I persuaded to come to Massachusetts who had been the Assistant Director of the National Crime Commission for Organized Crime. We have probably more people in that unit working exclusively to combat organized crime in Massachusetts than all the other departments of the Attorney General in the United States put together.

We have obtained a substantial number of indictments considering that we started from zero in 1967, and this is the kind of thing which inevitably engenders the attempt to inflict damage through character assassination and otherwise.

I think it is significant that despite the vast amount of effort expended by the late figure to whom I referred, that he was never able to find anything else he could use against me but this driving record.

Senator COOPER. I have two more questions.

You have read that one of the consequences of alcoholism is absenteeism. Your work record it seems, as you suggest, might be the answer to my question, but do you have a record of absenteeism in the jobs that you have held?

Mr. RICHARDSON. No, I certainly do not, Senator. I think anyone who has worked with me would attest to the fact that except for vacations I am there, and I am there early and I am there late, and I work hard at whatever I do.

BENEFIT OF A CAR AND DRIVER

Senator COOPER. One other question.

I know that some people are enthusiasts about automobiles, about driving. I remember once my good friend Senator Javits once told me he just loves to drive

an automobile; I do not. But are you also a motorcar enthusiast since you like driving?

Mr. RICHARDSON. Well, I used to like to drive, Senator. [Laughter.]

But I have avoided it in recent years and, of course since being elected Lieutenant Governor, I have had the benefit of a State car and a driver.

Senator COOPER. Do you have one in the new administration?

Mr. RICHARDSON. So I have done very little driving at all and I have done very little in the past 4 or 5 years.

Senator COOPER. You will have a driver in the next administration?

Mr. RICHARDSON. I hope so. [Laughter.]

The CHAIRMAN. Anything further?

Senator Javits, anything else?

Senator JAVITS. I think I have covered the subject adequately. I have known Mr. Richardson for years and worked with him when he was Assistant Secretary of Health, Education, and Welfare. I know it is a personal matter and it sounds like a rather niggling matter to question, but it is important. People are people after all. He is the first to realize it and I think it is very much to his credit as a man and a public official, that instead of brushing it off with distaste, he is willing to go into the nitty-gritty of it and satisfy us that he is the man we know him to be, at least I do, and believe him to be.

Thank you.

Mr. RICHARDSON. Thank you.

The CHAIRMAN. May I say, before action is taken on this, the FBI reports, of course, will be requested and made available to the Chairman and ranking Republican and any member who wishes to look at them.

If there are no other questions on this matter, I want to pass on to one or two other matters.

CONFLICT OF INTEREST

Mr. Richardson, do you have any investments or other ties that could amount to a conflict of interest?

Mr. RICHARDSON. I do have fairly substantial investments in what you might call a diversified list of securities. I have submitted this list to the Legal Adviser of the Department of State for examination and it is being studied by him to identify possible conflicts of interest.

I think it is fair to say in the light of the earlier discussion of this matter today that there may be some holdings I have which do raise questions, for example, in oil companies. These are securities that were in the first instance inherited and I have had for a long time, and I think the question is whether it would be appropriate to put them in the kind of trust that was earlier described as an *ignoramus* trust or to sell them.

In any event, I would like to make clear my own willingness to take whatever step is appropriate in this direction, and I will in the meanwhile make available to the committee a list of these securities.

The CHAIRMAN. The disclosure will be made, of course, on a confidential basis, on the same basis as we discussed it with Mr. Rogers.

REORGANIZATION OF THE STATE DEPARTMENT

Have you proceeded to the point where you would wish to give any views about the perennial question of the reorganization of the State Department? It comes up every year and I know it has been under consideration. Do you wish to make any comment about this?

Mr. RICHARDSON. I could not, Mr. Chairman, make a comment reflecting any mature consideration of the problem. I have been faced with very demanding requirements in seeking to provide for the transfer of my work at the Massachusetts end in contemplation of hopeful confirmation by the Senate, and I can only say really that I am aware that a lot of thought has been given to the problem.

This, in turn, makes it plain that it is not an easy one. On the fact of it the apparatus involving representation of the United States in some 130 missions around the globe and the translation of determinations of policy into action at those points and the transmission back of information that should in turn be taken into account in the formulation of policy, is a highly complex system, and I can only say that I regard this whole problem as of key importance to the ability of this administration, through the President, and the Secretary, to develop and carry out policy, and I would hope that I will be able to make a useful

contribution to identifying the opportunities for improving the effectiveness of the system.

The CHAIRMAN. There is, as you know, a sort of continuing problem about the relationship between the State Department, the AID program, USIA, CIA, and the Defense Department. We have already said something about that, but I would assume from your answer that you do not feel at this time that you are prepared to go into this type of question. Is that right?

Mr. RICHARDSON. Not in any detail, no, Mr. Chairman.

The CHAIRMAN. That is what I meant.

You heard our discussion with Mr. Rogers. You, of course, will be prepared after you have had a chance to give your attention to some of these questions to discuss them with the committee in open session?

Mr. RICHARDSON. I would be happy to.

The CHAIRMAN. Any other questions? Thank you very much. Do you have anything else to add?

Mr. RICHARDSON. No. Thank you very much, Mr. Chairman and gentlemen.

The CHAIRMAN. Thank you very much.

Mr. RICHARDSON. I would just add this: That I do deeply appreciate the opportunity to be here and the patience and courtesy of the committee in going into all of these things.

The CHAIRMAN. Thank you very much.

The committee is adjourned.

(Whereupon, at 12:45 p.m., the committee adjourned.)

The CHAIRMAN. Is there anything else to come before the committee? Without objection we will take a recess until 10 o'clock tomorrow morning.

Secretary RICHARDSON. Thank you, Mr. Chairman.

(Whereupon, at 6:10 p.m., the committee recessed, to reconvene at 10 a.m., Thursday, January 11, 1973.)

NOMINATION OF ELLIOT L. RICHARDSON TO BE SECRETARY OF DEFENSE

THURSDAY, JANUARY 11, 1973

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C.

The committee met, pursuant to recess, at 10:05 a.m., in room 318, Richard B. Russell Senate Office Building, Hon. John C. Stennis, chairman.

Present: Senators Byrd, Jr., of Virginia (presiding), Nunn, Tower, and Goldwater.

Also present: T. Edward Braswell, Jr., chief counsel and staff director; John T. Ticer, chief clerk; and R. James Woolsey, general counsel. Nancy J. Bearg, research assistant; Doris E. Connor, clerical assistant; George H. Foster, Jr., LaBre R. Garcia, John A. Goldsmith, Don L. Lynch, professional staff members; Dorothy Pastis.

Senator BYRD. The committee will come to order. The hearings will resume on the confirmation of the Hon. Elliott L. Richardson to be Secretary of Defense.

I yield to the distinguished Senator from Arizona.

Senator GOLDWATER. I am just here to listen.

Senator BYRD. I want to say, first, since I have been the member of the committee to ask the questions at this hearing, I want to say that it seems to me that it is very important that confirmation proceedings for these very high Government positions be more than perfunctory and that is why I prepared a number of questions for Mr. Richardson.

I want to say, too, to the nominee that I want to cooperate fully with you, I want to work with you and be helpful in any small way that I can to you and to the Defense Department.

I believe in a strong national defense. I think it is vitally important. I am interested in the philosophy and the thinking and the judgment of the nominee.

I want to review one question, Mr. Richardson, the last one, I think, that we discussed yesterday before adjournment. I want to read two statements, one statement is this: "To the best of my ability each member of my unit", this is from Gen. Bruce C. Clark "regardless of race or other background will receive promotions, assignments, awards and opportunities based solely on merit and ability."

I agree thoroughly with that statement and I am wondering what your response is.

STATEMENT OF HON. ELLIOT L. RICHARDSON, NOMINEE TO BE
SECRETARY OF DEFENSE (Resumed)

Secretary RICHARDSON. I also agree thoroughly with it, Senator Byrd.

Senator BYRD. Now, General Clark also said this, with which I agree thoroughly.

Nothing will be denied because of race nor will anything not deserved be accorded because of race.

Would you comment on that?

Secretary RICHARDSON. I agree with that statement also. The only thing that I think got us into a little bit of supplementary colloquy on that point yesterday was not an attempt on my part in any way to qualify my agreement with the statement. I simply pointed out that to agree with the statement is not at all inconsistent, in my view, with those affirmative things that are done to overcome the problems of discrimination.

Senator BYRD. I agree with that, but the point I am trying to get clear is that you do not qualify the statement, that you agree with it without qualification.

Secretary RICHARDSON. That is correct. I agree with it without qualification.

Senator BYRD. I noted yesterday that the Navy, for the first time, assigned a woman to be trained as a pilot, and seven others have been selected for officer candidate school, and that brings to mind this question: What do you feel is a proper role of women in the Armed Forces?

Secretary RICHARDSON. I believe that women should be asked to serve in all capacities that they can fulfill, and the only question that could then arise might be with respect to the physical requirements of their particular role.

In general, I think that the move toward the recognition of opportunities for women in the armed services is a move that can help to strengthen the all-volunteer force. We will be, in effect, seeking the enlistment of women for roles that they have not heretofore played and this, of course, opens up a whole large potential number of recruits.

Senator BYRD. Do you feel that women, either pilots or otherwise, should serve in combat?

Secretary RICHARDSON. I would like to reserve on that. There are a good many problems involved in this. Women have, of course, served in combat effectively in the military forces of other countries, notably Israel, but there are a lot of problems associated with it and I would rather not try to reach a definitive judgment at this point.

Senator GOLDWATER. Would the Senator yield?

Senator BYRD. I yield to the Senator from Arizona.

Senator GOLDWATER. Just relative to the Navy selecting a woman cadet, in 1942 I had the first women serve in the Air Corps in my squadron and they did as good a job as the men, they were very fine pilots, their temperaments did not bother them, and strength is not a necessary factor in flying. I just wanted to mention that because I am not a women's lib but I would just as soon fly with them.

Senator BYRD. Thank you, Senator Goldwater.

Mr. Richardson, you mentioned Israel. It seems to me that is considerably different from the situation we face in our country. Israel is fighting for her life, and she requires all of the manpower and women-power that can be made available, and the United States has not been in that position.

Under the present law the Congress has the authority to recruit women for combat even when it becomes necessary. Under the constitutional amendment which the Senate approved, and which I voted for, it would appear to me to make it mandatory. I voted for amendments to make it clear that women would not necessarily be assigned to combat. Thirteen different amendments that Senator Ervin presented, I voted for every one of them and I think it would have been a much better piece of legislation had those amendments been adopted, but they were not adopted, and it occurs to me that the Armed Forces, if this constitutional amendment is subsequently approved by the States, and it may not be, will be presented with some very difficult situations.

Do you think there must be restrictions on their duty assignments?

Secretary RICHARDSON. I am sure there will need to be some restrictions. I agree with you that the adoption of the amendment will present a series of problems for the Armed Forces, and I think we, in anticipation of the possibility, even the likelihood that it will be ratified, I think we ought to be pursuing the question of what its implications are very diligently.

I have no doubt a good deal of work on it has been done already and I want to be assured that it is carried forward so we will be in as good a position as possible to answer these questions.

Senator BYRD. Representing a State level involved with the Navy, Norfolk and Newport News area, Hampton Roads, I found that many of the Navy wives are not very happy about women being assigned to shipboard duty. I wonder if the incoming Secretary has a view in that regard.

Secretary RICHARDSON. My view is that I can certainly understand their feelings in the matter.

Senator BYRD. I want to congratulate those eight young women who yesterday for the first time were selected for flight training.

Mr. Secretary, to get back to another subject which we discussed yesterday somewhat briefly, which the chairman later touched on and those are the questions relating to the war powers bill. As you are aware, the Senate passed the war powers bill during the last session which defines in general terms the duties and responsibilities of the executive and legislative branches participating in the difficult job of deciding whether or not to commit U.S. forces to war.

My first question is whether you have any doubt that Congress has the power under the necessary and proper clause of the Constitution to pass legislation of this type.

Secretary RICHARDSON. I am not sure that I ought to be making pronouncements on constitutional law on a point that I have not given real study to, but I will offer this, at least, as an impression.

It would be my impression that the Congress does have power to enact such legislation and that any constitutional issues that properly arise in the context of this legislation would arise in determining the line between the right of the President to make decisions as Com-

mander in Chief and any restrictions in the bill. What I am saying, in effect, is that there may be constitutional issues in application of the law but it would not seem to me, as a matter of first impression, that the law is unconstitutional on its face because the Congress does not have the power to enact it.

Senator BYRD. Generally, the theory of the bill is to recognize that the President has the authority to repel armed attacks upon the United States or U.S. forces and to protect U.S. citizens and nationals while evacuating them from dangerous situations abroad.

The bill would limit the President's authority under these emergency provisions to 30 days without congressional authorization, but it provides for a prompt consideration by Congress. If the executive branch wishes to extend the period, for example, it is virtually impossible under the bill to delay consideration in committee or by debate on the floor for more than a few days.

Now, do you believe that the executive branch should be given the authority to commit U.S. forces to combat without congressional authorization in circumstances other than those that I have just described?

Secretary RICHARDSON. As I said yesterday, Senator Byrd, I agree in principle with the general purpose that the legislation seeks to accomplish, namely, to give the Congress an appropriate role in situations where the commitment of U.S. forces on a long-term basis is involved.

The problem I have with this at this stage is that what the bill undertakes to do in effect, is to codify a set of rules or conditions under which the President may do certain things for a certain period of time and then, subject to various exceptions, his power to take further action expires. And the question really that I would need to have more opportunity to consider is whether it is wise, in effect, to try to codify by legislation in advance the rules governing this kind of situation. And as to that, as I said yesterday, I would need considerable opportunity to look at the language, and so on. I do not want to be understood as unsympathetic to the concern of Congress for the proper exercise of its role, but what we have here is really the question of whether you can spell out in black-letter law the guidelines governing a constitutional relationship between coequal branches of Government.

Senator BYRD. In the light of what has happened in the last 10 years, before that really, but in the last 10 years, do you think the Congress is justified in making an effort to, shall we say, recapture some of the responsibilities which have drifted for one reason or another to the executive branch?

Secretary RICHARDSON. If I were a Member of Congress I would certainly be a participant in that effort.

Senator BYRD. As Secretary of Defense, how sympathetic would you be to that effort?

Secretary RICHARDSON. I really cannot add, I think, to the point I made earlier. I would be sympathetic as Secretary of Defense to an effort to observe due regard for the coequal role of the Congress, particularly in matters involving the commitment of U.S. forces. I would, as a matter of the conduct of relations between the executive

branch and the legislative branch, try to behave in a way that exhibited full regard for the congressional role.

The only reservation I have on this score is the one I mentioned a moment ago, namely, whether it is wise or desirable to try to spell out in specific legislative terms the rules governing the engagement of or disengagement of U.S. forces. The problem is the problem of imagining or trying to imagine in advance how things may happen and then spell out rules for them, and that is my only concern.

Senator BYRD. I will ask one more question and then I will yield to the distinguished Senator from Texas.

Mr. Richardson, do you believe that, in general, mutual security treaties with 44 nations of the world should be interpreted to permit the President to commit forces to combat under them without congressional authorization?

Secretary RICHARDSON. Here, I think the problem is the one of the kind of line that is represented in the proposed legislation itself. I can conceive of some emergency situations where this might be a constitutional exercise of Presidential authority in his capacity as Commander in Chief. I, on the other hand, would certainly not propose that we could enter into a war in the sense of a declared war, without the involvement of the Congress, that is, a war on behalf of an ally pursuant to the terms of the treaty. In other words, I do not think the treaty would automatically commit the United States without the involvement of Congress to whatever we may define as a war.

Senator BYRD. Of course, that is exactly what the previous administration did in regard to Vietnam, as I brought out yesterday. Secretary Rusk on dozens and dozens of occasions in his official testimony stated that it was the Southeast Asia Treaty that was primarily the cause or the instrument used for the United States to send ground troops to Asia.

Secretary RICHARDSON. I would have to review that, Senator Byrd. I would suppose though, that what he was saying was that the United States was justified in taking certain emergency actions in support of South Vietnam without formal action. The problem was that it started out in a very small way, and then there were gradual additions over time so that there was never a clear-cut point at which the United States, in effect, entered a war. It became a war, and so the reliance that Secretary Rusk may have placed on the SEATO Treaty in terms of what the United States initially undertook to do would not necessarily be a valid justification for a formal step of all-out engagement in war. I would have to look it up.

Senator BYRD. That emergency action has been going on for 9 years.

Secretary RICHARDSON. No question that as of 1969, let us say, we were at war.

Senator BYRD. There was no question about 1965, was there?

Secretary RICHARDSON. I am not so sure. I do not know when the point—where the threshold was crossed. In any event, the problem appears to have been a problem brought about by the fact that our involvement did come about so gradually.

Senator BYRD. In regard to the treaties, and we have 44, we have commitments with 44 different nations, we discussed this a little bit yesterday, and your position seems to me to be a little ambiguous and maybe we could attempt to clear it up, you say you feel there should be

a continuing review, a continuing review of these commitments, but will you, as the new Secretary of Defense, initiate a review? Will you have procedures for a review?

Secretary RICHARDSON. I will have procedures for review. I do not expect it will be necessary for me to initiate them. I would be surprised to find they were not already in place.

Senator BYRD. But you will or you do feel it is wise to reexamine these many commitments, 44 different commitments, we do have? Do you feel it is wise to reexamine these commitments?

Secretary RICHARDSON. Yes; I think that the reexamination of these commitments should be part of a continuing process which includes overall strategic planning, planning for force levels, weapons systems, force structures. The commitments of the United States abroad obviously have a very critical part in the determination of what armed force capabilities we may need in a given contingency, and so—

Senator BYRD. Would it be—

Secretary RICHARDSON. I am sorry.

Senator BYRD. Would it be reasonable to ask that at the end of—6 months after you become Secretary of Defense—that you submit to the committee the Department's reappraisal, review of these commitments, and let the committee know what the Department's judgment is as to the value of them and whether or not they should be continued?

Secretary RICHARDSON. I would be glad to do it on this understanding, Senator: That we would submit to the committee any conclusion which suggests there should be some modification in an existing commitment.

Senator TOWER. Would the Senator yield?

Senator BYRD. I yield to the Senator.

Senator TOWER. This raises a jurisdictional question. It is not the jurisdiction of the Defense Department to make foreign policy except insofar as its advice and counsel is sought, it is the jurisdiction of the Department of Defense to implement foreign policy, if that foreign policy should be implemented by military men and, therefore, I would think you might be requesting the Secretary to do something that it is not within his jurisdiction or his line of authority to do.

Senator BYRD. The Secretary has already testified that he—it is his judgment that the Department was already reappraising, reexamining the policies and commitments. He testified to that yesterday and he testified to that again this morning.

Senator TOWER. I think that that should apply only to the extent to which the military is involved or the military can function under any given circumstance, to the extent that the military can respond to a policy decision.

Now, if it is to be suggested here today that foreign policy is going to be indeed formulated by the Department of Defense, I think we should call the Secretary of State to testify and see what his views on that are.

Senator BYRD. I would like to have the Secretary of State testify to that but, at the moment, we have the Secretary of Defense.

I do not claim that I know in detail all of the 44 commitments, but I have gone over most of them, and all of them have the potentiality of involving U.S. troops, every one of them has the potentiality of the United States becoming involved in a combat operation, so I think it

is certainly logical that the Defense Department is involved in these treaties, and I accept the proposal made by the distinguished nominee that he feels that this should be under constant review by the Defense Department. He testified to that yesterday, and he testified to it today, and that at the end of 6 months after he assumes office if there are changes that he would recommend he will so inform the committee, and in the absence of his recommendation I would assume that he feels that there should be no changes.

Secretary RICHARDSON. May I just say this: Senator Tower is clearly right in pointing out the role of the Department of State and the Secretary of State as well as the President in the area of foreign policy and I think it is a helpful clarification that he intervened at that point.

I am glad to take advantage of the opportunity to say that the kind of reexamination that the Department of Defense would, and I am sure does, continually perform involves the interrelationships between U.S. commitments, U.S. capabilities, and the armed services' role in the fulfillment of a commitment under various potential situations.

The Office of International Security Affairs of the Department of Defense works continually and closely with the Department of State and, indeed, its function is to a very large degree to assure the clearest possible understandings between the scope of U.S. foreign policy commitments, on the one side, and the implications of these for armed services capabilities on the other, and when I said that if we had a conclusion, or reached a conclusion suggesting the possible desirability of any modification of an existing commitment that this would be a conclusion reflecting the judgment of the administration and not of the Department of Defense or myself alone.

Senator BYRD. Maybe no one is concerned about our country having 44—or commitments or treaties with 44 countries—but the Senator from Virginia is concerned.

I yield to the Senator from Texas.

Senator TOWER. Thank you, Mr. Chairman.

I think we should note that a treaty is a conduit through which constitutional authority flows. Treaties are made in pursuance of the Constitution of the United States; they are ratified by the Senate, and to the extent that they are ratified by the Senate, the Congress of the United States acquiesces, at least, in the conclusion of the treaty obligation.

I think that the wisdom of a number of our interlocking treaty organizations should, of course, be constantly under review, but I still think that is primarily the function of the President, and of his foreign policy arm, the Department of State. The military, I think, should be considered as a precision instrument of diplomacy. That is not, of course, a new idea; it was articulated, I suppose first by Clausewitz. The military simply implements foreign policy when the makers of foreign policy have determined that that policy should and must be implemented by military means. In this century the United States has not resorted to the initiation of war as an instrument of national policy. I doubt that we ever will.

Treaties are subject to interpretation, and it is the function of the President to make a judgment as to what the obligations of the United States are pursuant to a treaty agreement. The United States was not obligated by treaty to go into South Vietnam. South Vietnam is not a

signatory of the SEATO pact. It was apparently the judgment of Presidents Kennedy and Johnson that to fulfill our obligation to Thailand, Australia, New Zealand, the Philippines, and other nations that are signatories, that we should engage in combat operations in South Vietnam because the incursion into South Vietnam and Laos, Cambodia constituted a threat to the territorial integrity of SEATO's signatories. That is a judgment decision, and I think reasonable men may debate whether the decision was right or the judgment was right or was wrong or was good or bad and indeed, reasonable men are debating it at this moment. But it is certainly not a function of the Department of Defense. And I would want to make it clear that this committee is not suggesting that the Department of Defense should arrogate unto itself powers and responsibilities it does not have, that the Constitution nor the National Legislature ever intended that it should have.

I should like to further say that I have never seen a man come before a Senate committee in confirmation hearings better prepared to testify about the nature and responsibilities of a job that he has never held than Secretary Richardson, and my esteem for him has certainly soared over the last 2 or 3 days, and I am hopeful that he will not expect that he should be able to answer every question pertinent to the responsibility he is about to undertake. I do not think any department head fully knows his job until after he has been in it a while.

I do not think that any of us who entered the Senate on the first day understood entirely what our responsibilities, our prerogatives, and duties were; I certainly did not myself, and I spent all of my adult life in the field of political science.

I do want to hear and now commend Secretary Richardson and express the firm conviction that he is going to be one of the best, if not the best, Secretary of Defense we have ever had.

Secretary RICHARDSON. Thank you very much, Senator Tower. I appreciate those very generous words.

Senator BYRD. Thank you, Senator Tower.

Senator Nunn.

Senator NUNN. I have no further questions.

Senator BYRD. Senator Goldwater.

Senator GOLDWATER. My question does not require an answer today but in view of the fact that Mr. Richardson is such a well-known scholar of the law, I would like to ask, if you ever have any spare time, that you pursue this subject of war powers. It has been a very intriguing subject to me, a nonlawyer.

I feel, for example, that the President is the only authority in this country in our Government that can commit troops. The Congress has only the power of raising the militia, making rules for them, paying them; they have the power to declare war but not the power to send troops.

Now, this came about, according to my studies, because the Continental Congress made the mistake of allowing the Congress to control war and it nearly caused disaster with Washington. After this in the formulation of our Congress they took away the warmaking powers and gave the power to declare only.

It is interesting to know we have been in about 192 different occasions where we used troops in the 200-year history of our country, and in only five of these have we ever declared war, and two of these declarations were in one war.

I know it is generally believed, it is a general concept, around the country that the Congress does have the power of war. I have yet to find an eminent scholar in the field, including both, the members of both parties who served in the Department of State and other high offices, who feel that we do have any other power than those I have mentioned or the power of the purse which, of course, we can exercise at any time.

It would be interesting to me to add your opinions of this, not for publication, but just to my collection of papers on the subject.

There has been very little written on it. The University of Virginia has published two excellent books on the subject, one of which has just come to my desk in the last few days.

I think if the Congress wants to act in this field that it will be forced to act with a constitutional amendment because the Constitution clearly, very clearly, gives to the Commander in Chief the power of calling out troops, and I don't think there is any limitation on when he can do this. I think it is up to him to make up his own mind, and if we want to change that power then we are going to have to ask the people of the country to change it through an amendment.

I am sure when we get into debate on this bill, even if it happens to be passed, that it will be fought through the courts and a court decision will be, I am sure, in favor of the Constitution as it is written.

It is an interesting subject because today the people are clamoring that the Congress do something, and many Members of Congress honestly feel that we can do something about going to war. But, in my opinion, we can't.

I would like to know sometime from you at your leisure, after you have had time to study it, what you think about this whole subject. I thank my friend from Virginia.

Secretary RICHARDSON. Thank you, Senator Goldwater. I will be—I certainly will want to study it and I look forward to a chance to discuss it with you further.

Senator BYRD. Thank you, Senator Goldwater.

Mr. Richardson, if confirmed, what would be some of your major goals as Secretary of Defense? Are there any priorities that you have set?

Secretary RICHARDSON. I cannot at this stage go beyond some very general propositions but I think, first of all, we need to take measures that will assure that in the recruitment of the all-volunteer force we have made the opportunity for military service attractive, respected, and recognized as contributing to vital national purposes.

We need, second, in my view, to take measures, building upon what Secretary Laird has already done, to strengthen public confidence in the acquisition procedures, procurement processes of the Department of Defense.

Third, I would seek to try to assure, as I said yesterday, the maintenance of adequate military capability on a more economical basis, foreseeing that costs in some areas are bound to rise, that the competition for tax dollars is bound to increase, and that our armed strength will suffer unless we are able to maintain it on a basis absorbing proportionately fewer dollars.

Senator BYRD. In recent years, the political debate over domestic matters has tended to center on the claim that defense spending, defense spending has caused a starving of social programs.

Has your experience as Secretary of Health, Education, and Welfare persuaded you that such claims are accurate?

Secretary RICHARDSON. On the contrary, as I am sure you know, Senator, the shift in the allocation of resources to the area of human needs and away from national security, including defense, has been a massive shift during the years of this administration.

When President Nixon first took office the proportion of the national budget devoted broadly to defense or national security was about 44 percent, and the ratio devoted to human resources was about 32 percent. These proportions have been reversed, and the ratio of the budget now devoted to defense is at its lowest level since before the Korean war. So I think we can say with considerable force that there has been a continuing reallocation of priorities.

In fact, I do not oppose the shift, obviously having served at HEW and having been involved in initiatives that have to a degree brought it about. But, as I said on the opening day of these hearings, I have never believed that the shift should take place at a rate that might jeopardize the adequacy of our armed services. And while I would expect it to continue I would also, as Secretary of Defense, seek to assert the claims of adequate military capability so as to assure that it did not not take place too rapidly, and that we continue to remain adequately strong.

Senator BYRD. In terms of total dollars HEW, I believe, will spend more money in this fiscal year than the Defense Department. Is that your recollection, is that your—

Secretary RICHARDSON. That is correct, and in fiscal 1974 the proportion will grow wider even though there may be some increase in defense expenditures, depending upon congressional action on the budget. But the HEW jump, largely because of social security amendments, will be much greater and, as long as we have in effect benefit programs that grow as a function of the increase in the number of participants—old people, for example—and that grow also to match the pace of inflation (the Congress did provide for that last year) the total HEW outlays will presumably continue to go ahead.

Senator BYRD. Not in terms of percentage of the total budgetary expenditures but in actual dollars HEW is now spending more dollars in a given fiscal year than is the Defense Department.

Secretary RICHARDSON. That is correct.

Senator BYRD. Mr. Richardson, if a satisfactory cease-fire agreement is reached with Hanoi but within a reasonable time it becomes apparent, do you believe we should use naval—apparent it has been violated, do you believe we should use our naval and Air Force contingents in the area to assist our South Vietnamese allies if they need and ask for airpower?

Secretary RICHARDSON. The only thing I can properly say on that point at this stage, Senator Byrd, is there is an obvious need for very careful and comprehensive contingency planning to anticipate any of a broad spectrum of possible violations. We need to be ready to do whatever is appropriate for us. There may be situations, for example, involving some violation which can perfectly adequately be handled

by the South Vietnamese or, as the case may be, Laotian or Cambodian forces, without any participation by us. But I think we need to have thought about this in advance since the time in which it would be necessary to react may be quite short.

Senator BYRD. What do you think should be done in connection with the security role that the United States has maintained in the Far East, especially with reference to Taiwan and Japan?

Secretary RICHARDSON. On this score, again, I think my comment should be quite limited. We are also touching here, too, on the area that Senator Tower pointed out earlier of foreign policy, but I would just say this: That I think that the United States does have real and important national security interests in the far Pacific. We, as far as Taiwan is concerned, have made clear that we intend to honor our commitments, and I believe that our relationship with Japan is of key importance to the United States. I believe it is important that it not only should be maintained but strengthened.

Senator BYRD. If U.S. supreme interests should be jeopardized by a failure to agree on a second round of force reductions at SALT, does the Secretary-designate believe we can live with the present SALT treaty and interim agreement for as long as 5 years?

Secretary RICHARDSON. That is a question I would need to look at on a continuing basis in the light of whatever actions may be taken during that interval by the Soviet Union and in the light of the actions taken within the United States to support needed weapons system development and acquisition.

Senator BYRD. The Soviet refused to agree to any provision of the SALT agreement which would ban deployment of mobile ICBM's. This being the case, should the United States take advantage of this loophole to lessen our vulnerability by placing some of our Minuteman missiles on mobile platforms?

Secretary RICHARDSON. This is an important question. I would want to have the advice of the Joint Chiefs of Staff before trying to reach any judgment about it.

Senator BYRD. How important, Mr. Richardson, do you believe, on-site inspection to be in any future arms limitations agreement with the Soviets?

Secretary RICHARDSON. This would depend on the terms of the agreement. There are some possible areas of agreement that could be monitored only by on-site inspection. There are, there remain, also significant areas of further agreement that would not require on-site inspection.

Senator BYRD. When you were Secretary of HEW I heard considerable comment among the Members of the Congress, many had considerable difficulty in getting replies from your office. My question to you today is, if you are confirmed as Secretary of Defense how responsive will you be to requests for information from Members of the Congress and what machinery will you have in your office to accomplish this?

Secretary RICHARDSON. I will do the best I can. As a matter of fact, at HEW it was a source of continuing irritation from my point of view. I used to have, I resorted to various devices to try to goad the system into producing responses more quickly, including putting up charts at staff meetings and sending out a lot of memoranda.

The Defense Department has in place, I know, a considerable process for answering congressional requests and inquiries. I would be interested to find out whether it is regarded as adequate by you and your colleagues. If you think it is I will simply make sure that it is kept in place.

Senator BYRD. I found the Department of Defense very responsive. I found the Department of Treasury very responsive. I have found the Justice Department very responsive. I have found every agency of Government, almost, very responsive, except the one you happened to head. That is the only reason I am bringing this up.

Secretary RICHARDSON. I am certainly not going to do anything to weaken the effectiveness of the procedures that are being carried out. On the contrary, if there can be any improvements I would like to make them. I really think that despite some bad experiences I know you have had with HEW, we have tried quite hard and, on the whole, I think we have made some improvements.

Senator BYRD. The New York Times of November 10 had this story:

Admiral Elmo R. Zumwalt, Jr., the Chief of Naval Operations, using strong, brutally frank language, charged the Navy's Senior commanders today with failures in leadership and with ignoring his directives on racial relations.

This was a public reprimand of the senior officers of the Navy.

In your judgment, is it wise for military personnel to be publicly reprimanded by their superiors?

Secretary RICHARDSON. I wouldn't want to try to make any general pronouncement on that, Senator Byrd.

Senator BYRD. You would not want to say whether or not it is wise or unwise to publicly reprimand a subordinate?

Secretary RICHARDSON. Not in the abstract, no, I would not.

Senator BYRD. You feel that discipline can be maintained under such conditions?

Secretary RICHARDSON. Again, I don't think it is a matter on which I would want to try to generalize.

Senator BYRD. I think you said yesterday that you do recognize that there is a disciplinary problem in the Armed Services.

Secretary RICHARDSON. Yes. I also said that I don't have enough information to know how serious it is in scope or degree, but that I would want to try to find that out, and that I would certainly want to take whatever corrective action seems indicated.

Senator BYRD. Senator Tower.

Senator TOWER. Mr. Chairman, I have no questions at the moment.

Senator BYRD. Senator Goldwater.

Senator GOLDWATER. I have no questions.

Senator BYRD. Mr. Richardson, on behalf of the committee, I thank you for your time you have given us at this confirmation hearing. In the event of your confirmation, which I anticipate, I wish you the very best of luck in a very difficult and a very important assignment, and I want to cooperate with you fully in your heavy responsibilities.

Secretary RICHARDSON. Thank you very much, Senator.

May I just say that I appreciate the opportunity that has been afforded by this hearing to respond to questions touching on virtually all aspects of the operation of the Department of Defense and the needs and problems of our Armed Services.

I have welcomed the opportunity, and I have sought to respond as fully as I could to your questions, Senator Byrd, and the others that have been addressed to me. In some instances, I have said that I would need further information, in some cases I have undertaken to make additional responses to the committee. In a good many cases, perhaps most, I have given immediate answers.

As to the first, I will, at whatever appropriate time, give the committee my further views when I have had the opportunity to develop additional information.

As to the second, we will certainly furnish for you whatever I have undertaken to provide to the committee.

In the third area, it may be that as I learn more I will change my views, and in that case, if the matter is a material one, I would also want to bring it to the attention of the committee.

I take very seriously the importance of the collaborative role we play in national defense policy, and I would want to do whatever I can to assure that the executive-legislative relationship in this context is as strong as it can be made, and I feel from my point of view that this hearing has been a valuable and welcome opportunity to lay that kind of foundation.

Senator BYRD. I don't think anyone on the committee would have expected you to answer all of the questions that have been put to you, certainly I would not have been that unreasonable. I think you have responded in an appropriate fashion. In some cases you have been quite frank.

I was astonished, I might say, that you would not express an opinion on one of the first questions which I put to you, and that is whether it was a grave error of judgment to send ground troops to Asia. But on another question you answered in one word, which is something that I have had great difficulty in 7 years, that I have been asking the same question for 7 years, and I have had difficulty in getting an answer in one word. Sometimes it has taken an hour to get an answer to it, and since I have asked it of every appointee who has come before this committee for 7 or more years, I will read it again:

The United States has been involved in combat operations in Indochina for nearly 10 years. In your judgment has this long U.S. involvement in Vietnam, utilizing two and one-half million American troops and hundreds of billions of dollars, been beneficial to the Soviet Union, and you answered that very forthrightly with one word, no.

That brings to mind that the only other individual who answered it that precisely and concisely was the Deputy or Under Secretary of State, Mr. Eugene Rostow in the Johnson administration, he answered it the same way, as did virtually all of the appointees who came before this committee in the middle and later 1960's.

What concerned me about that was that it led me to believe in 1966 and 1967 that if those in higher position, making policy, held such a view of that, that there was certainly no urgency in getting this war over with.

Mr. Richardson, if there are no further questions—Senator Tower, Senator Goldwater—if there is no further business, the committee will stand in adjournment until 2:30—

Senator GOLDWATER. Mr. Chairman, it may be repetitious but this young lady has been here twice, and if it is within your power and you desire we might ask her in and let her sound off.

Senator BYRD. Yesterday she had written, I think I am right, a written question—yesterday, the Senator from Mississippi, the chairman of the committee, talked with the lady and she agreed to submit a written question to the Secretary-designate. This question was put to Mr. Richardson yesterday, and Mr. Richardson responded yesterday.

Senator GOLDWATER. I was unaware of that, thank you very much.

Senator BYRD. Senator McIntyre has requested that his printed statement be inserted in the record.

(The statement follows:)

STATEMENT BY U.S. SENATOR THOMAS J. MCINTYRE (D.-N.H.)

I would like the record to show that I will vote in committee for Mr. Richardson's confirmation as Secretary of Defense, but reserve the right to change my vote when the matter is brought before the Senate.

I want the record to show that whatever reservations I have about Mr. Richardson's nomination are not related to his professional qualifications for the post, for in this respect he is, indeed, eminently qualified.

Having said this, why then do I—who opposed only five of President Nixon's thousands of nominees since 1969—choose now to reserve the right to oppose his confirmation?

For two reasons, Mr. Chairman.

In three days of hearings, Mr. Richardson evaded answering specific questions about recent military actions in Vietnam, was unclear about future intent should he be confirmed, and defended the President's terror bombing orders in December.

Now, Mr. Chairman, I can appreciate the fact that Mr. Richardson has not yet been fully briefed on his proposed new responsibilities and I can understand his loyalty to Mr. Nixon.

But if we learned anything in these last ten years, we should have learned that even the best and the brightest among us can be trapped and betrayed by loyalty to concepts no longer valid, to policies long since discredited, to leadership no longer credible in a given issue.

We have learned the hard way that intelligence, education, experience—however superlative they may be, as in Mr. Richardson's case—are necessary but not of themselves sufficient qualification for high office. A Secretary of Defense—especially now—must also have the moral courage to insist that our Nation respect its best sense of what is right.

Whatever else this may mean, it clearly precludes the terror bombing of civilians.

Let me make it clear that when I raise this point I am not speaking of those differences—however substantive—over policy that we can reasonably expect in these matters. Such differences make up the stuff of political give and take in government and should not be grounds for a capricious withholding of confirmation.

Instead, I am speaking of differences involving a basic sense of what is right or wrong for our Nation to do.

The war policies and tactics Mr. Richardson has had to defend have outraged our national sense of decency and shamed us before the world, and, I, for one, have serious reservations about giving even tacit approval to such policies by confirming his nomination.

This is the overriding reason why I am withholding final judgment, Mr. Chairman. But there is another. The President has asked us to confirm a new Secretary of Defense.

It is our Constitutional privilege to grant or deny him his wish.

But along with that privilege goes a responsibility, a responsibility to look into not only the nominee's qualifications, but also into the policies that nominee will be asked to carry out.

Here our efforts have been totally frustrated, met time after time with evasion, equivocation, or arrogant silence by the Administration.

This may no be the fault of the nominee. It is the fault of those who have proposed him for the office.

For they have clearly indicated that they feel no need to account for their actions to the Congress—or, for that matter, to the American people—and have refused to notify, to inform, to discuss, to respond.

By not even making an attempt at presenting a convincing case for its recent war actions, the Administration leaves us to conclude that it no longer considers the Legislative Branch co-equal in the direction and the resolution of such crucial issues as war and peace.

In my judgment, Mr. Chairman, if we accept this scornful patronizing, we not only surrender our Constitutional role, we ignore the lessons of the past decade and we forfeit the chance to respond to the public's clearly voiced wish for the earliest possible end to our involvement in Vietnam.

Mr. Chairman, I'm afraid there may be only one way left to end this patronizing, only one way left to restore Executive accountability, only one way left to reaffirm Congress' role—and the innocent victim of such final recourse may be Mr. Richardson.

As far as this Senator is concerned, I am willing to vote to bring the matter to the Floor, but unless I see clear evidence of a change in attitude in the Administration, unless I see convincing signs that further frustrations in the peace talks will not trigger more savage bombing of innocents, unless I can be persuaded that Mr. Richardson could—and would—urge changes in policies and tactics in a way that would give us back our national honor and our claim to moral leadership, then I may, indeed, have to vote against confirmation.

As far as this Senator is concerned, his vote on confirmation will be decided by what the Administration does in the next few days.

And, time is running out.

Senator BYRD. If there is no further business, the committee will stand in adjournment until 2:30 this afternoon at which time the nomination of Mr. Clements to be Deputy Secretary of Defense will be taken up.

(Whereupon, at 11:10 a.m., the hearing was concluded.)

1. The first question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
guilt or innocence.

2. The second question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
character and conduct.

3. The third question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
loyalty to the United States.

4. The fourth question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
fitness for employment.

5. The fifth question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
eligibility for citizenship.

6. The sixth question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
eligibility for a passport.

7. The seventh question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
eligibility for a license to practice law.

8. The eighth question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
eligibility for a license to practice medicine.

9. The ninth question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
eligibility for a license to practice dentistry.

10. The tenth question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
eligibility for a license to practice pharmacy.

11. The eleventh question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
eligibility for a license to practice optometry.

12. The twelfth question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
eligibility for a license to practice podiatry.

13. The thirteenth question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
eligibility for a license to practice chiropractic.

14. The fourteenth question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
eligibility for a license to practice massage.

15. The fifteenth question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
eligibility for a license to practice acupuncturist.

16. The sixteenth question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
eligibility for a license to practice naturopath.

17. The seventeenth question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
eligibility for a license to practice osteopathy.

18. The eighteenth question is whether the fact that the defendant is a
member of the Communist Party is a factor in the determination of his
eligibility for a license to practice naturopathic medicine.

NOMINATION OF WILLIAM P. CLEMENTS, JR., TO BE A DEPUTY SECRETARY OF DEFENSE

THURSDAY, JANUARY 11, 1973

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C.

The committee met, pursuant to recess, at 3:30 p.m., in room 318, Richard B. Russell Senate Office Building, Hon. John C. Stennis, chairman.

Present: Senators Stennis (presiding), Symington, Jackson, Byrd (of Virginia), Hughes, Thurmond, Tower, and Goldwater.

Also present: T. Edward Braswell, Jr., chief counsel and staff director; John T. Ticer, chief clerk; R. James Woolsey, general counsel; Nancy J. Bearg, research assistant; Doris E. Connor, Dorothy Pastis, clerical assistants; George H. Foster, Jr., LaBre R. Garcia, John A. Goldsmith, professional staff members; and Edward B. Kenney, professional staff member, Preparedness Investigating Subcommittee.

The CHAIRMAN. All right, our committee now will please come to order.

Yesterday afternoon during the consideration of the nomination of Mr. Richardson, inasmuch as Senator Bentsen was unable to be present at today's meeting, he requested permission to introduce Mr. Clements to the committee, and the record of that discussion will be inserted at this point:

WEDNESDAY, JANUARY 10, 1973, 4:45 P.M.

Present: Senators Stennis (presiding), Byrd, Jr., (of Virginia), Hughes, Nunn, Thurmond, and Saxbe.

The CHAIRMAN. Senator Bentsen, we are glad to have you here. Come around to one of these microphones, if you will. You have a statement you wish to make. Mr. Reporter, this will be an interruption of the hearing on Mr. Richardson and will be the beginning of the hearings on Mr. Clements, and let the record show that please.

Senator Bentsen.

STATEMENT OF HON. LLOYD BENTSEN, U.S. SENATOR FROM TEXAS

Senator BENTSEN. Thank you very much, Mr. Chairman. Let me first state my great pleasure in having served on this distinguished committee with my distinguished colleagues, a very competent staff and under the wise chairmanship of its distinguished chairman.

I am pleased to be here to endorse the selection of Mr. W. P. Clements, a fellow Texan of mine. I think it is a good omen for the Defense Department.

I know him to be a man of integrity and a man of ability. I know he is a man who shares the concern of this committee for the problems of military procurement, for the problems of trying to get the taxpayers' dollar's worth in the money that is expended; a man who knows something of the cost overruns that we have experienced in the Defense Department, and that have been a continuing problem for this committee.

He brings to this committee business expertise. I think one of his resources and one of his major assets is the fact that this man has been able to build a very substantial business with good management practices.

He, just as the members of this committee, realizes that this country of ours is walking a military-economic tightrope; that it is necessary that it spend just enough to see that this country's defenses are secured and yet not too much to damage this country's economy.

He is a man who has a high regard for the institution of government, and the Congress in particular, and one who I believe will remain in full communication with the chairman and the distinguished members of this committee.

He is a man who has evidenced his concern and compassion for people; a man who has worked for the betterment of his community. He is on the board of governors of SMU and has worked with the regents of that great university. He is a man who has shown his concern for children. He has been on the National Executive Committee of the Boy Scout movement and has been of great assistance there.

Mr. Chairman, it is with a great deal of pleasure that I recommend a man who is one of the distinguished members of the President's Blue Ribbon Defense Committee and made a great contribution there. I think he will make that kind of a contribution to our country.

I know the only reason he is here is because he is a patriot and he wants to serve.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator, for a very fine statement. That gives Mr. Clements a good start with this committee, if you recommend him so highly, speaking from your own personal knowledge.

We want to especially thank you for your fine services to this committee. You built a fine record here, made yourself felt on the floor of the Senate, and we are grateful to you. The only complaint I have, is that you are not still a member of this committee. We may get you back someday, some other way. Thank you very much.

The Senator had to leave on a plane before we could get to this nomination tomorrow morning.

Senator THURMOND. Mr. Chairman, although Senator Bentsen is on the other side of the aisle, so to speak, I just want to take this opportunity to express my great pleasure at having served with him on the Armed Services Committee. He has proved to be an able Senator and he has been effective on this committee. We certainly regret to see him leave the committee. I wish him success and happiness in his new committee assignment.

Senator BENTSEN. Thank you, Mr. Chairman.

Senator NUNN. Mr. Chairman, if I might disagree with the latter statement of the chairman that he is sorry to see Mr. Bentsen leave, to the extent that I would not be on the committee, Mr. Bentsen, I was delighted to see you move on to another committee. I do hope I will be able to fill your very big shoes on this committee.

Senator THURMOND. Mr. Chairman, I want to say, since Senator Bentsen is leaving, we are certainly glad to have the distinguished Senator from Georgia with us. He is a great nephew of the former Carl Vinson the former chairman of the Armed Services Committee of the House, and one of the great Americans still living today. He has made a fine reputation of his own down in the Georgia State Senate and we are indeed glad for him to join the committee in place of Senator Bentsen.

Senator NUNN. Thank you, Senator.

(Whereupon, at 5 p.m., the committee proceeded to other business.)

The CHAIRMAN. Our committee now will proceed to consider the nomination of Mr. William P. Clements, Jr., to be a Deputy Secretary of Defense.

(Reference material and biographical data follows:)

[18] NOMINATION REFERENCE AND REPORT

IN EXECUTIVE SESSION,
SENATE OF THE UNITED STATES,
January 4, 1973.

Ordered. That the following nomination be referred to the Committee on Armed Services: William P. Clements, Jr., of Texas, to be a Deputy Secretary of Defense, vice Kenneth Rush.

-----, 19--.

-----, 19--.
Reported by Mr. ----- with the recommendation that the nomination be *confirmed*.

BIOGRAPHICAL INFORMATION OF WILLIAM P. CLEMENTS, JR.

Name: William P. Clements, Jr.
Address: 4622 Meadowood Road, Dallas, Texas 75220.
Business: Chairman of the Board, SEDCO, Inc., Cumberland Hill, 1901 North Akard, Dallas, Texas 75201.
Date of Birth: April 13, 1917. Birthplace: Dallas, Texas.
Wife's Maiden Name: Pauline Gill. Birthplace: Terrell, Texas.
Children: B. Gill Clements and Nancy Clements Seay.
Schools Attended: Highland Park High School and Southern Methodist University.
Club Memberships: Northwood Country Club; Dallas Petroleum Club; Eldorado Country Club.
Church Memberships: St. Michael and All Angels Episcopal Church.

CIVIC ORGANIZATIONS AND BUSINESS

Chairman, Board of Governors, Southern Methodist University.
Board of Trustees, Southern Methodist University.
President, South Central Region, Boy Scouts of America.
Past President, Circle Ten Council, Boy Scouts of America.
National Executive Board, Boy Scouts of America.
Director and Executive Committee, Dallas Citizens Council.
Trustee, Southwestern Medical School (University of Texas).
Director, First National Bank in Dallas.
Director, Keebler Company.
Director, Fidelity Union Life Insurance Company.
Member, National Petroleum Council.
Director, Independent Petroleum Association of America.
Past President, International Association of Drilling Contractors.

Trustee, Texas Research Foundation.
 Member, Advisory Board, Jf. League of Dallas.
 Member, 1972 National United Nations Day Committee.
 Director, Mid-Continent Oil & Gas Association.
 Life Member, Navy League of the United States.
 Member, Steering Committee of Dallas County Committee for the White House Conference on Children and Youth.
 Member, Blue Ribbon Defense Panel.

The CHAIRMAN. I want to emphasize for myself, and I feel I speak for each member of this committee, that we consider the position of Deputy Secretary of Defense to be one of the most important jobs in the entire Branch of the Government. I could cite two facts here to prove that. One is that the Deputy Secretary and the Secretary are charged with a great deal of the top responsibility for annually spending between \$75 and \$80 billion in this 12-month period around the world which includes the fighting of the war, numerous installations in many nations, almost 3 million people, civilian and military, some of the most difficult and complicated procurement problems that are known or found anywhere in the world.

Another one which is seldom noticed is that they are at the top of the operation of three budgets. One they are spending, another one they are trying to justify, and the third one is the old one that they are trying to finish up from last year. Then they have to try to justify on Capitol Hill these enormous sums of money.

You have a stalwart Senator there sitting to your right, a valuable member of this committee, the Senator from Texas, Mr. Tower we are calling on you now to present Mr. Clements. Go as far as you wish in vouching for him.

STATEMENT OF HON. JOHN G. TOWER, U.S. SENATOR FROM TEXAS

Senator TOWER. Thank you very much, Mr. Chairman. It is a great pleasure to have the opportunity to sit on this side of the table for a change to testify before the committee.

It is a great honor for me to present Mr. Clements to the committee. He has already been very heartily endorsed by my distinguished colleague, a latter member of this committee, Senator Bentsen, and I think the bipartisan support that is indicative of Senator Bentsen's endorsement and mine can be found in the State of Texas.

Mr. Clements has been a distinguished and productive citizen.

Mr. Chairman, we all know that we are confronted by many problems. With the increasing cost of personnel in the Armed Services, with the increasing cost of sophisticated weapons systems coupled with the necessity of developing volunteer services, of trying to develop an modernize our weapons system to the greatest extent possible, trying to maintain an adequate strategic posture, to put us in a favorable negotiating position with the Soviet Union, we have problems that are going to require great managerial skill.

I believe that Bill Clements' background and experience commends him to the job. He is not only a man of proven managerial talents but a man of good judgment as well and, as we know, some important decisions are going to have to be made within the Department.

Mr. Clements was the founder, the builder, and the chief executive officer of SEDCO, one of the outstanding corporations in my State. He is what we might call a self-made man. Indeed, there are no other

kind in Texas, and he has served on the Blue Ribbon Panel which looked into the Department of Defense and, therefore, has a considerable knowledge of the problems that do confront the Department of Defense. At the same time, not having been associated with a Defense-related industry, he brings, I think, a great degree of objectivity into the post for which he has been nominated.

Not only is he a man of considerable ability, he is a man of considerable courage, a man of character, a man of intellect. Although he may not use all of the four bit words that Mr. Richardson does, he is capable of articulating ideas in very positive terms.

He is a public-spirited man. I have had the privilege as a member of the Board of Trustees of Southern Methodist University to work with him in his capacity as chairman of the board of governors of that great institution of higher learning. He is a man who has had a continuing interest in the furthering of higher education in my State.

He is well known throughout his State. He is highly respected in his home community of Dallas. I feel privileged to call him friend, and I am delighted at this opportunity to present him to the committee, and to urge favorable consideration by the Armed Services Committee of his nomination. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator, for your fine recommendation which means a lot to me and every member of this committee. I know you mentioned two qualities there that the Department must have a lot of both. One is judgment and the other is courage. He is going to have to fight uphill all the way most of the time.

Senator TOWER. I will come back to be an inquisitor, if you will.

The CHAIRMAN. Yes, thank you, Mr. Clements, I understand that you do not have a prepared statement.

STATEMENT OF WILLIAM P. CLEMENTS, JR., NOMINEE TO BE A DEPUTY SECRETARY OF DEFENSE

Mr. CLEMENTS. No, sir.

The CHAIRMAN. I am sure you understand that all Senators have the privilege of asking you questions. Let the record show that as the Senator from Texas already said, he is chairman of the board of SEDCO, Inc., of Dallas, born and reared in Texas, and I believe you are now chairman of the board of governors of Southern Methodist University.

Mr. CLEMENTS. Yes, sir; I have been chairman of the board of governors for about 7 years now.

The CHAIRMAN. How long have you been on the board?

Mr. CLEMENTS. I guess 12 years.

The CHAIRMAN. I will ask a few questions for myself and for the committee and then we will go around. Mr. Clements, you have some reason, for coming here to fill this position. I want to know why you chose to do this? How long you expect to serve in this capacity?

Mr. CLEMENTS. Thank you, Mr. Chairman.

Before I answer that question, may I please say, sir, that I am honored to be here as a nominee for this post subject to the committee's approval, and the approval of the Senate.

I particularly am pleased and grateful to Senator Tower for the kind words that he expressed, and for those of Senator Bentsen. I

hope that with this awesome responsibility that goes with this job that I will receive the advice and counsel and help and cooperation from this committee that I certainly intend to reciprocate. I am most humble as I approach these responsibilities, with my lack of knowledge of the Department of Defense and the workings of the Government in general. As you well know, I have not had any experience heretofore in this field. I have never run for office nor do I expect to run for any office. Subject to the approval of this committee I will do my utmost and serve to the best of my ability. I fully intend to give it all of my energy and talents, and if hard work will get it done, why I hope I will be able to do it.

So far as the tenure of my office is concerned, if the committee approves me; and the Senate concurs, I am committed to the President for a 4-year term subject to his pleasure.

In answer to the other part of your question, I am here at his invitation, and I suppose that I would have to say that my only motive in accepting this job, with all of its problems that are inherent in leaving Dallas and my business and my other activities, is one of patriotism. It gives me an opportunity to serve my country in a way that will enable me to show my gratitude for the blessings that I have received. It is a pleasure to be here and I will do my utmost to answer all your questions.

The CHAIRMAN. You just made a splendid statement. I get the idea that you are not here just to hang up your hat and stay awhile for the experience and then move on.

Mr. CLEMENTS. Mr. Chairman, I may get run off but that is the only way I will leave.

The CHAIRMAN. Assuming that you are confirmed, you will come many times before this committee in connection with your duties. We do not want you appearing before the committee with the feeling that you are an adversary or that we are adversaries. You will not be treated as one by us. At the same time, we do feel that you have a very positive obligation to be candid and forthright, and to disclose fully all the facts that are necessary for us to make a sound judgment with a view to our national security. It should not be necessary to exhaustively cross-examine you to reach this end. Some of us have been on this committee a long time and realize that some of the witnesses have an attitude of "tell them nothing unless you have to."

We don't feel that way and don't want you to feel that way. What is your attitude about coming here as a witness in the future?

Mr. CLEMENTS. Mr. Chairman, in my business career I have always felt, and strongly so, that one of the greatest tools of management is good communication, and without this it is almost impossible to have good management. I would intend to meet and counsel and communicate with this committee to the maximum possible degree, and I am available at any time that you want me.

The CHAIRMAN. You recognize that the purpose is to come here and give us the facts—

Mr. CLEMENTS. I certainly do.

The CHAIRMAN (continuing). When called upon, and whether you are called or not sometimes you will feel you should communicate with us.

Mr. CLEMENTS. You can be sure that I will seek your advice and counsel and help.

The CHAIRMAN. I want to have this assurance as chairman of the committee, that the recommendations of the Joint Chiefs of Staff are to be fully considered by you in the formulation of your decisions in policy matters. I strongly subscribe to the principle of civilian control over the military which must be in the final analysis firm and undiminished, but I think it is highly important that military decisions not be made by you and others until after consultation with the Joint Chiefs of Staff. How do you feel about that?

Mr. CLEMENTS. I agree with you.

The CHAIRMAN. I had a chance to talk with you several weeks ago and we talked then about your idea of the priorities. What do you consider your responsibility in connection with the defense posture of our country? Give us some idea how important you think they are, as a businessman who has a reputation for having watched the dollars pretty closely. I assume you don't believe in uselessly spending of money? What do you think about the necessity or priorities for us to have a strong military defense?

Mr. CLEMENTS. Mr. Chairman, I think that our posture with respect to the Department of Defense must carry a No. 1 priority above anything else; that without a strong Defense Department, why we really wouldn't have, and probably can't have these other domestic problems to be concerned with; that the President in all of his negotiations must be supported by a position of strength in the Department of Defense, and yet at the same time I fully recognize the problem of rising costs with weapons systems, the very high percentage of cost in the budget for personnel and its attendant costs, and these two things must be measured against each other. At all times, we must be conscious of the money that we are spending and get the absolute maximum value for every dollar we spend in the most efficient manner possible, and pare away all the possible fat that we can, assume a position of being lean and hungry—well in conclusion with all of the economies that we can effect under no circumstances can we dilute our capability.

The CHAIRMAN. Yes.

You are going to have a lot to do with the procurement of these expensive weapons and we want to feel that you are really trying to get a dollar's worth out of every one of these dollars. I don't mean pennypinching, but to get a dollar's worth for what you are spending as if it were your own money. Will you do that?

Mr. CLEMENTS. Yes, sir.

The CHAIRMAN. Will that be your effort? It will be hard to carry out.

Mr. CLEMENTS. I recognize the difficulties, and there have been various programs that have been instigated in the Department over the past several years. I think they have made progress, but I would be the first to say that great progress needs to continue to be made.

The CHAIRMAN. Yes. I have talked with you enough to know that you are familiar with many problems of military procurement.

Mr. CLEMENTS. Yes, sir.

The CHAIRMAN. You have evidenced purposes to work hard and do as much as you can about it.

On your financial matters, there are no suggestions that anything is the matter but we usually go into those matters in closed session for personal reasons. You have already filed statements here and made assurances to our Chief Counsel. I want to refer to one matter, however, that has recently been in the papers.

The committee received a letter yesterday, dated January 10, from Senator Proxmire, as Chairman of the Joint Economic Committee, regarding the dealings of your company, and referred to the matters concerning the Securities and Exchange Commission (SEC), enclosing a letter which he had received from the SEC, Securities and Exchange Commission, dated December 26, 1972.

Members of the committee, there has not been a chance to put all this before the membership but I think it has all been resolved by another letter that came today from the Securities and Exchange Commission. Mr. Clements, go into this matter that the Securities and Exchange Commission has been considering, and then I will reply by reading the more recent letter from Senator Proxmire dated yesterday.

Mr. CLEMENTS. Mr. Chairman, I have before me the legal opinion from our general counsel of SEDCO, Inc., Mr. Rhodes, and also from SEDCO's outside counsel, Mr. Ritchie, with respect to this allegation.

The CHAIRMAN. This litigation is filed against you and your company.

Mr. CLEMENTS. No, sir; this was really an issue that was raised by Senator Proxmire with respect to information that should have been filed with the SEC as various prospectuses were put into the SEC for approval and Mr. Casey, who is Chairman of the SEC has now ruled and I have copies of this that I would like to hand to you, both his ruling and also the legal opinions of our in-house and outside counsel. The last paragraph of Mr. Casey's letter says that:

Our staff has examined the two complaints filed in this consolidated litigation. In one, SEDCO is not named as a defendant. And in the other, although SEDCO is named, the body of the complaint contains no allegations against SEDCO. Moreover, it is clear that the claim for \$5 million in punitive damages runs only against the individual defendants and not against SEDCO. Thus, the maximum amount of damages that would appear to be possible against SEDCO would be on the order of \$1 million. This is a little over 5 percent of the current assets, and is considerably short of the 15-percent level specified by the Commission as requiring civil actions to be included with the filings with the Commission.

So I think that this would lay this to rest. I don't think there is anything else to be done about it.

The CHAIRMAN. The substance of this is that if there had been a 15-percent level involved, it would have required you to file these matters with the Commission.

Mr. CLEMENTS. Yes, sir; and this was not 15 percent. It was nowhere near it.

The CHAIRMAN. It was only 5 percent at best.

Mr. CLEMENTS. As a matter of fact, our attorneys claim it is considerably less than that.

The CHAIRMAN. Anyway the Securities and Exchange Commission's estimate is that the top figure involved would be 5 percent or near that.

Mr. CLEMENTS. Yes, sir.

The CHAIRMAN. Unless there is anything else Mr. Clements wants to say, we will lay these letters now before the committee, and see if there are any other questions to be brought out.

Senator Proxmire's last letter said:

With reference to my earlier letter of today, I am enclosing a copy of a letter I have just received from the Securities and Exchange Commission, concerning a possible violation of SEC regulations by SEDCO.

Best wishes, Bill Proxmire.

The letter encloses what has just been quoted.

Senator GOLDWATER. I would like to suggest the papers made available by Mr. Clements be made a part of the record.

The CHAIRMAN. We will come to that now. Identify the papers you have there. They will go in the record.

Mr. CLEMENTS. Yes. Fine. The top is the letter to Senator Proxmire from Mr. Casey, Chairman of the SEC, dated January 10, 1973.

The CHAIRMAN. All right.

Mr. CLEMENTS. The next exhibit is dated January 6, 1973, from Mr. Ritchie, who is our outside counsel; and the next letter is dated January 5, 1973, of Mr. Tom B. Rhodes, who is our general counsel of the company.

The CHAIRMAN. I ask the staff to arrange this correspondence consecutively in the order of their dates, including the two letters from Senator Proxmire to the committee, both dated January 10, and that all material be included in the record. This is subject to further examination by any member of the committee.

(The letters follow:)

SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C., January 11, 1973.

Hon. JOHN C. STENNIS,
Chairman, Armed Services Committee,
U.S. Senate, Washington, D.C.

DEAR SENATOR STENNIS: Pursuant to the request received this afternoon from T. Edward Braswell, I am sending you this letter to convey the conclusions which the staff of the Securities and Exchange Commission has reached with respect to whether SEDCO, Inc., in its filings with the Commission, was required to disclose the existence of the litigation filed against it and certain of its stockholders in December 1966. This litigation arose out of drilling operations performed in Argentina by a subsidiary of SEDCO.

When requested to determine whether there had been any violation of SEC reporting requirements because SEDCO did not include the existence of this litigation in its filings, the Commission's Division of Corporation Finance requested additional information from SEDCO. That Division has examined the two complaints filed in this consolidated litigation and has studied a four-page letter which had an exhibit showing the consolidated current assets of SEDCO for each year from 1966 to 1972. The Commission's reporting requirement is that litigation must be disclosed if it involves claims against a reporting corporation which amount to or exceed 15% of the current assets of the company and its subsidiaries on a consolidated basis. For the fiscal year ending in 1966, 15% of SEDCO's consolidated current assets amounted to \$2,363,349. This figure has risen steadily until for the fiscal year ending in June 1972 it was \$7,832,273.

The Division of Corporation Finance's examination of the two complaints filed in this litigation shows that SEDCO is a defendant in only one of the complaints and that the body of the complaint contains no allegations against SEDCO. Moreover, it is clear that the claim for \$5 million in additional punitive damages runs only against the individual defendants and not against SEDCO. Thus the maximum amount of damages which would appear to be possible against SEDCO would be in the order of \$1 million. Upon the basis of this information and analysis, the Commission staff does not believe that the company was required to include disclosures with respect to this litigation in reports filed with this Commission.

The staff has considered the questions raised with respect to this matter carefully and contemplates no further inquiry.

Yours,

WILLIAM J. CASEY, *Chairman.*

U.S. SENATE,

Washington, D.C., January 10, 1973.

HON. JOHN STENNIS,
*Committee on Armed Services,
Old Senate Office Building, Washington, D.C.*

DEAR JOHN: With reference to my earlier letter of today, I am enclosing a copy of a letter I have just received from the Securities and Exchange Commission, concerning a possible violation of SEC Regulations by Sedco, Inc.

Best wishes.

Sincerely,

WILLIAM PROXMIRE, *U.S. Senator.*

SECURITIES AND EXCHANGE COMMISSION,

Washington, D.C., January 10, 1973.

HON. WILLIAM PROXMIRE,
*U.S. Senate,
Washington, D.C.*

DEAR SENATOR PROXMIRE: This letter will supplement the letter of December 26, 1972 to you from the Secretary of this Commission with regard to reports filed with us by Sedco, Inc. As indicated in our earlier letter, the Division of Corporation Finance requested from the company additional material with regard to the litigation you specified. Upon the basis of all the information we have obtained to date, the staff does not believe that the company failed to report any event or events required to be disclosed in reports filed with the Commission.

Your letter of December 19, 1972, stated that the total amount of damages claimed in this case was over \$6 million. It pointed out that this appeared to be substantially in excess of 15 percent of the \$19 million in current assets held by Sedco at the end of 1967.

Our staff has examined the two complaints filed in this consolidated litigation. In one, Sedco is not named as a defendant. And in the other, although Sedco is named, the body of the complaint contains no allegations against Sedco. Moreover, it is clear that the claim for \$5 million in additional punitive damages runs only against the individual defendants and not against Sedco. Thus the maximum amount of damages that would appear to be possible against Sedco would be in the order of \$1 million. (This is a little over 5 percent of current assets, considerably short of the 15 percent level specified by the Commission as requiring civil actions to be included in filings with the Commission.)

Sincerely,

WILLIAM J. CASEY, *Chairman.*

U.S. SENATE,

COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS,

Washington, D.C., January 10, 1973.

HON. JOHN C. STENNIS,
*Chairman, Committee on Armed Services,
U.S. Senate, Washington, D.C.*

DEAR JOHN: I am enclosing correspondence I have had with the Securities and Exchange Commission concerning Mr. William P. Clements, Jr. and Sedco, Inc., an oil drilling firm with which Mr. Clements has been associated. My inquiry to the SEC dated December 19 asked whether Sedco, Inc. included a reference to a civil action against the company and its principal officers in its registration statements and other reports filed with the Commission. I also inquired whether the failure to report such civil action constituted a violation of our securities laws and regulations.

A reply received from the SEC dated December 26, 1972 indicates that no reference to the civil action was made by Sedco in connection with the various statements it filed with the SEC. The SEC letter further advises that the

staff is unable to determine whether the omission of this litigation constitutes a violation of SEC rules and regulations. The letter indicates the staff is investigating this matter and will make an early reply to my inquiry.

As indicated in my letter of December 19, the total amount of the suit brought against Sedco exceeds \$6 million. SEC rules and regulations require that all civil actions in excess of 15% of current assets be reported to the Commission. Since Sedco's current assets were in the neighborhood of \$20 million, it would appear that Sedco's failure to report may have involved a violation of the SEC regulations.

During this period, Mr. Clements was a chief executive officer of Sedco and a principal defendant in the suit. Whatever the merits of this litigation, some reference to it should have been included in Sedco's financial statements filed with the SEC in order to inform investors of the impact which the suit might have on the company's financial structure. If Sedco's failure to report this litigation was in violation of the SEC rules and regulations, I feel that this failure reflects adversely upon the company and Mr. Clements. At the very least, it certainly calls into question his fitness for the job of Under Secretary of Defense.

In view of the foregoing, I hope that your Committee can defer action upon Mr. Clements' nomination until a reply is received from the SEC concerning the possible violation of our securities laws by Mr. Clements' firm. If Sedco has in fact violated our securities laws, I believe this fact should be made known to members of your Committee and to the Senate before passing on Mr. Clements' nomination.

With best wishes, I am

Sincerely,

WILLIAM PROXMIRE, *U.S. Senator.*

SECURITIES AND EXCHANGE COMMISSION,
OFFICE OF THE SECRETARY,
Washington, D.C., December 26, 1972.

HON. WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PROXMIRE: Chairman Casey is at present out of town, so I am responding to your letter of December 19, 1972, concerning the President's nominee for Under Secretary of Defense, Mr. William P. Clements, Jr., and press reports of a civil action against Sedco, Inc. and Mr. Clements and other individuals involving an oil drilling venture in Argentina. Your understanding is that the suit seeks \$1.197 million compensatory damages plus 6 percent interest thereon to the date of settlement and \$5 million punitive damages. You inquire whether disclosure of the reported litigation has been made in Sedco's reports and registration statements filed with the Commission and, if not, whether a violation of the reporting requirements is involved.

The staff has advised that they have reviewed the various 1934 Act reports and 1933 Act registration statements filed by Sedco, formerly Southeastern Drilling, Inc., and that no disclosure of the above litigation appears in such documents. As to whether this omission of the litigation constitutes a violation of SEC rules and regulations, the staff advises that they do not have sufficient facts at this time to make such determination. However, the staff is in the process of obtaining the relevant court filings and ascertaining such facts, so that they can respond to this question. Generally speaking, civil proceedings pending against a company required to file reports pursuant to Section 13 of the Securities Exchange Act of 1934, as Sedco is, must be disclosed if the damages involved, exclusive of interest and costs, amount to, or exceed 15 percent of the current assets of the company and its subsidiaries on a consolidated basis. Similar disclosure would have been required in the registration statements filed by Sedco under the Securities Act of 1933.

As indicated above, the staff is pursuing this matter, so that we may make an early reply to your question as to whether nondisclosure of the litigation constituted a violation of our rules. When the staff develops the facts, we shall be in further contact with you.

Sincerely,

RONALD F. HUNT, *Secretary.*

DECEMBER 19, 1972.

HON. WILLIAM J. CASEY,
Chairman, Securities and Exchange Commission,
Washington, D.C.

DEAR CHAIRMAN CASEY: Press reports indicate that the President's nominee for Under Secretary of Defense, Mr. William P. Clements, Jr., and a company with which he is associated, Sedco, Inc., are defendants in a civil action involving an oil drilling venture in Argentina. I understand the civil action seeks \$1.197 million in actual damages plus 6% interest thereon to the date of settlement and \$5 million in punitive damages. To the best of my knowledge, no reference of this civil action was included in the annual 10-k reports filed by Sedco with the SEC nor was such reference included in a registration statement filed with the Commission on December 22, 1970 by Sedco. The total amount of the suit is over \$6 million and would appear to be substantially in excess of 15% of the \$19 million in current assets held by Sedco at the end of 1967. I understand that a reference to civil actions in excess of 15% of current assets must be included on a company's annual 10-k report and registration statements.

I would appreciate your advice as to whether a reference to such civil action was in fact included in the various reports filed with the SEC by Sedco and, if not, whether such failure to report constitutes a violation of SEC's rules and regulations. Since Mr. Clements will be appearing before the Senate Armed Services Committee soon for his confirmation hearing, I would appreciate an early reply to this request.

With best wishes, I am

Sincerely,

WILLIAM PROXMIRE,
U.S. Senator.

JANUARY 10, 1973.

HON. WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PROXMIRE: This letter will supplement the letter of December 26, 1972 to you from the Secretary of this Commission with regard to reports filed with us by Sedco, Inc. As indicated in our earlier letter, the Division of Corporation Finance requested from the company additional material with regard to the litigation you specified. Upon the basis of all the information we have obtained to date, the staff does not believe that the company failed to report any event or events required to be disclosed in reports filed with the Commission.

Your letter of December 19, 1972, stated that the total amount of damages claimed in this case was over \$6 million. It pointed out that this appeared to be substantially in excess of 15 percent of the \$19 million in current assets held by Sedco at the end of 1967.

Our staff has examined the two complaints filed in this consolidated litigation. In one, Sedco is not named as a defendant. And in the other, although Sedco is named, the body of the complaint contains no allegations against Sedco. Moreover, it is clear that the claim for \$5 million in additional punitive damages runs only against the individual defendants and not against Sedco. Thus the maximum amount of damages that would appear to be possible against Sedco would be in the order of \$1 million. This is a little over 5 percent of current assets, considerably short of the 15 percent level specified by the Commission as requiring civil actions to be included in filings with the Commission.

Sincerely,

WILLIAM J. CASEY,
Chairman.

RITCHIE, RITCHIE & CROSLAND,
Dallas, Tex., January 6, 1973.

SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C.

(Attention: Mr. Alan B. Levenson, Director, Division of Corporation Finance).

GENTLEMEN: You have been furnished copies of the proceedings in the consolidated cases of *Antonio A. Diaz v. The Southeastern Drilling Corp. et al*, Civil

Action No. CA-3-1841 in the United States District Court for the Northern District of Texas at Dallas (the "Diaz case") and *Great American Investment Company, Limited v. W. P. Clements, Jr. et al.* Civil Action No. CA-3-1843 in the same court (the "Great American case"), prepared under the direction of the United States District Clerk for the Northern District of Texas from his files. You have requested us to give an opinion with reference to the compliance by SEDCO, Inc. ("SEDCO") with the Securities Act of 1933 and the Securities Exchange Act of 1934 by virtue of the fact that SEDCO has not previously disclosed the existence of these cases in its filings with the Commission.

We have examined the proceedings in the Diaz and Great American cases as furnished by the District Clerk and have consulted with representatives of SEDCO and its General Counsel, Mr. Tom B. Rhodes, and also with the firm of Strasburger, Price, Kelton, Martin & Unis, which is handling this litigation.

Based upon such investigation and our general knowledge of the affairs of SEDCO, it is our opinion that neither the Diaz case nor the Great American case, nor both cases combined, constitute material legal proceedings with respect to SEDCO or any of its consolidated subsidiaries which should have been described in the registration statements filed by SEDCO since the commencement of said cases or in any other reports filed or required to be filed by SEDCO since such date under the provisions of the Securities Act of 1933 or the Securities Exchange Act of 1934.

Very truly yours,

R. F. RITCHIE.

SEDCO Inc.,

Dallas, Tex., January 5, 1973.

SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C.

(Attention: Mr. Alan B. Levenson, Director, Division of Corporation Finance).

GENTLEMEN: Copies of the proceedings contained in the files of the court in the consolidated cases of *Antonio A. Diaz v. The Southeastern Drilling Corp. et al*, Civil Action No. CA-3-1841 in the United States District Court for the Northern District of Texas at Dallas (hereinafter referred to as the "Diaz case"), and *Great American Investment Company, Limited v. W. P. Clements, Jr., et al*, Civil Action No. CA-3-1843 in the same court (hereinafter referred to as the "Great American case"), were prepared under the direction of the United States District Clerk for the Northern District of Texas pursuant to your request and sent to you on December 27, 1972. As you can see from these documents, Trefina, A.C., as the alleged assignee of Charles F. O'Neill, has intervened in these proceedings but has not asserted any claim against SEDCO, Inc. Also, the U.S. Government has intervened in order to enforce its tax liens against Messrs. Dillin and O'Neill. You have requested that we advise you why this litigation has not been shown in the Form S-1 and Form 10-K filings of SEDCO, Inc. (hereinafter referred to as "SEDCO") with the Commission since the commencement of these cases in December, 1966.

As a matter of background, it should be pointed out that the Argentinian drilling operations were performed by Southeastern Drilling Co. of Argentina, S.A., a Panamanian company (hereinafter referred to as "Southeastern Argentina") which was dissolved prior to the time SEDCO first made a public offering of its stock in 1965 and also prior to the time SEDCO was combined with various foreign organizations with similar ownership into a consolidated group of companies, which also occurred in 1965. The negotiations in Argentina began in 1958 and the drilling, which was for Yacimientos Petroliferos Fiscales (an agency of the Argentinian government referred to herein as "YPF") was completed in 1963. The contract between YPF and Southeastern Argentina was guaranteed by SEDCO, but no consideration was paid SEDCO for such guarantee. SEDCO's only equity interest in Southeastern Argentina was acquired in November, 1960, from Howard M. Scallorn, an employee of SEDCO, who owned 2½% of the shares of Southeastern Argentina when left the employ of SEDCO. SEDCO paid Mr. Scallorn \$126,000 for his 2½% interest in Southeastern Argentina and for other securities he had acquired while employed by SEDCO. Southeastern Argentina was dissolved in December, 1963.

In the Diaz case the plaintiff seeks to recover the following items: (1) his alleged 6% share of admitted net profits of \$18,299,839.56 or \$1,097,988.37, less payments of \$302,400.00 already received, a net claim of \$795,586.37; (2) his

share of alleged additional profits or \$402,009.62; and (3) exemplary damages from the individual defendants in the amount of \$5,000,000.00. The plaintiff also requests a proper, complete and audited accounting from the defendants. The court has decided that Diaz's interest is 5% instead of 6% but has not yet passed upon the other claims outlined above.

Since SEDCO was the owner of 2½% of the stock of Southeastern Argentina, it was therefore entitled to receive 2½% of the net assets of said company which were distributed in liquidation beginning in 1963. Assuming that it had received all of its share of the alleged additional profits referred to in item (2) above, SEDCO might theoretically be obliged to refund the sum of \$10,050.24. Since the court has determined that Diaz's interest is 5% and not 6%, SEDCO's maximum theoretical possible liability to Diaz is reduced pro rata. Five percent of the admitted profits of Southeastern Argentina amounts to \$920,653.02 and this entire amount has already been paid to Diaz or paid into the registry of the court.

Item (1) of Diaz's claim only involves the allocation of the admitted net profits interest among the original claimants thereof and does not relate to SEDCO or its interest.

Item (3) involves a claim for exemplary damages against the individual defendants and no liability is asserted against SEDCO with respect thereto.

Finally, in regard to the Diaz case, it should be noted that no facts are alleged therein that would constitute the basis of a cause of action against SEDCO. It is named as a defendant in the style of the case, in section I thereof and in the prayer, but no allegations are made in the complaint to show liability on the part of SEDCO. This constitutes grounds for the dismissal of SEDCO as a defendant pursuant to Rule 8 of the F.R.C.P. and SEDCO has filed a motion to such effect with the court which has not yet been acted upon. Also, although the prayer in the Diaz case asserts that the defendants are "jointly and severally" liable for the plaintiff's claims, we are not aware of any grounds for such liability on the part of SEDCO and none have been pleaded by the plaintiff.

In the Great American case, the plaintiff as alleged assignee of W. N. Dillin is suing for the following items: (1) the disputed 1% of the net profits of Southeastern Argentina, referred to in the Diaz case and claimed therein by Diaz, amounting to \$182,998.40; (2) the unpaid balance due Dillin with respect to his remaining 4% interest in the net profits of Southeastern Argentina, amounting to \$59,193.58; and (3) a final accounting.

With respect to the Great American case, it should first be noted that SEDCO has not been sued therein and is not a party defendant. No claim is made against SEDCO with reference to items (1), (2) or (3) in this case.

Further, the amounts claimed by the plaintiff in items (1) and (2) enumerated in the second preceding paragraph are being held in escrow pending the outcome of the case and SEDCO would have no liability in connection therewith even if it were a defendant in the suit.

The plaintiffs in the Diaz and Great American cases are now asserting that Southeastern Argentina, in computing the share of its profits due them, was not entitled to deduct a large amount of the expenses of the drilling contract due to the fact that the voluminous day-to-day vouchers were destroyed when Southeastern Argentina left Argentina, although both the general ledger, the general journal and other records maintained in Argentina have been preserved and are available. They also claim that some of the expenses were not reasonable and that the defendants failed to place large amounts of cash in interest bearing accounts. In connection with the plaintiffs' attempts to disallow expenses in the computation of net profits, they take the position that SEDCO was not entitled to charge any overhead against Southeastern Argentina. All of these contentions are denied by the defendants and our trial counsel advise us that the plaintiffs have demonstrated no evidence that leads them to believe that the plaintiffs have a meritorious claim. It should be noted that the plaintiffs are the alleged owners of not more than a 14% interest in the net profits of Southeastern Argentina; that the participation of SEDCO in the equity of Southeastern Argentina was 2½%; and therefore that the risk of SEDCO could not be 0.35% of the total alleged additional profits of Southeastern Argentina. Even if 100% of the expenses of the drilling contract were disallowed, SEDCO's share of the additional sums accruing to the interest of the plaintiffs would only be \$113,201.

In any event, it is and has at all times been our opinion and that of our trial counsel that neither the Diaz case nor the Great American case, nor both cases

combined, will result in any material liability on the part of SEDCO. Furthermore, the rules and regulations of the Commission, as we understand them, do not require a reference to this litigation under the above circumstances.

Neither of these cases nor the two cases combined involve specific claims for damages against SEDCO in excess of 15% of its consolidated current assets. For your information, there is attached hereto as Exhibit A, a tabulation of the consolidated current assets of SEDCO set forth in the Forms 10-K filed by said company beginning with the fiscal year ended June 30, 1966, and extending to the fiscal year ended June 30, 1972, and in each Form S-1 registration statement filed by the company since December, 1966, as set forth in the final prospectus in each instance.

SEDCO is not obligated to indemnify any of its directors, officers or employees by virtue of any liability they might incur in these cases. At the present time SEDCO has a provision in its bylaws stating that such a person who has served at its request as a director, officer or employee of another corporation will be indemnified against judgments and expenses incurred in any case in which he is made a party by reason of having been such a director, officer or employee, except in relation to matters as to which he shall be adjudged liable for willful misconduct. However, this type of indemnification provision was not adopted by SEDCO until December, 1968, and was not intended to be retroactive. Also, it should be noted that the individuals who have been sued in the Diaz and Great American cases were not requested by SEDCO to serve on the board of directors or as officers or employees of Southeastern Argentina; rather, they either were representing their own equity interests in Southeastern Argentina or were performing these duties in their capacities as adequately compensated personnel of Southeastern Argentina.

Nothing herein shall constitute an admission of any liability of SEDCO or any other party to the plaintiffs in the Diaz and Great American cases and all such liability is hereby specifically denied.

If you need further information with reference to these cases, please advise us.

Very truly yours,

SEDCO, INC.,
TOM B. RHODES,

Senior Vice President and General Counsel.

EXHIBIT A

SEDCO, INC.—CONSOLIDATED CURRENT ASSETS

Form	Date of accounting (fiscal year)	Consolidated current assets	15 percent
10-K	June 30, 1966	\$15,755,661	\$2,363,349
10-K	June 30, 1967	19,074,687	2,861,203
S-1 (No. 2-27421)	June 30, 1967	19,074,687	2,861,203
10-K	June 30, 1968	23,078,863	3,461,829
10-K	June 30, 1969	23,061,071	3,459,161
10-K	June 30, 1970	31,517,575	4,727,636
S-1 (No. 2-38913)	June 30, 1970	31,517,575	4,727,636
10-K	June 30, 1971	37,846,644	5,676,997
S-1 (No. 2-42074)	June 30, 1971	37,843,644	5,676,997
10-K	June 30, 1972	52,215,151	7,832,273
S-1 (No. 2-45801)	June 30, 1972	52,215,151	7,832,273

The CHAIRMAN. Admiral Moorer has been invited to testify before the full committee. He has been ready for several days, but you know we have had a number of deferments. We will begin nomination hearings on Mr. Schlesinger tomorrow, following Mr. Clements. I have asked Admiral Moorer to be here next Monday afternoon. I now call on Senator Thurmond.

Senator THURMOND. Thank you, Mr. Chairman.

Mr. Clements, I want to congratulate you upon your appointment as Deputy Secretary of Defense. I also want to congratulate the

President on choosing such an able and outstanding businessman for this position.

Mr. Clements, it was necessary for me to be in another meeting, in the meeting of the committee on committees of the Republican Party of the Senate in the earlier part of your hearing, and you may have answered some of these questions to be propounded and if you have you don't need to take the time to answer them again. I am sure we all want to make the hearing as brief as we can consistent with a full hearing.

Mr. CLEMENTS. Yes, sir.

Senator THURMOND. Mr. Clements, what definitions have been given to you as to your responsibilities as Deputy Secretary of Defense?

Mr. CLEMENTS. Senator Thurmond, only in the sense that as the blue ribbon panel met and we delved into the department, and as I read of the hearings before this committee of Mr. Packard and Mr. Laird and others, only in that sense have my duties been defined.

Senator THURMOND. So your specific duties will be defined I presume, by the Secretary of Defense or maybe the President at a later date, is that correct?

Mr. CLEMENTS. The President has discussed with me in some very general terms some things that he has in mind, and as you would imagine that he would as he made the appointment, and Mr. Richardson and I have on several occasions lightly touched upon our respective roles, but we have not met and actually discussed our respective responsibilities.

Senator THURMOND. I see.

Mr. Clements, how do your responsibilities differ from those of the other Deputy Secretaries of Defense allowed by the Congress late last year?

Mr. CLEMENTS. I don't think, Senator Thurmond, that any of the discussions that we have had to date have contemplated the third deputy responsibilities. The first thing we want to do is to sort out between ourselves the respective responsibilities between Secretary Richardson and myself, and at some later date, as he stated, I believe, yesterday, after we had gotten our feel and when we have become familiar with the duties and responsibilities and day-to-day operations that we then will consider the third deputy. Until that time I would think that our mode of operation would be very similar to what has been in the past with the pattern that was set with Secretary Laird and Secretary, Deputy Secretary, Dave Packard.

Senator THURMOND. In other words, when the second deputy is appointed there will be a delineation of duties at that time.

Mr. CLEMENTS. No, sir; I think as a matter of fact, that as soon as we are, shall I say, legitimate, why we will meet and decide on our method of operation and we will probably closely follow the pattern set by Mr. Laird and Mr. Packard.

Senator THURMOND. Well, I say there would be a delineation of duties for the second deputy after he is appointed, not you but after the second deputy is appointed.

Mr. CLEMENTS. Yes, sir; and that will be off in the future.

Senator THURMOND. Mr. Clements, since you were a member of the blue ribbon defense panel, I would like to know what findings of the

panel you feel deserve more attention by the Defense Department or prompt attention?

Mr. CLEMENTS. Would you mind repeating that, Senator? I am not sure I understood what you said.

Senator THURMOND. I believe you were a member of the blue ribbon defense panel.

Mr. CLEMENTS. Yes, sir.

Senator THURMOND. I am just wondering if you had any particular recommendation of the panel that was made by this panel that you feel deserved prompt attention.

Mr. CLEMENTS. Well, as you know, we made a series of recommendations—something over 100 specific recommendations. I think that the Department has already implemented or has attacked in one form or another some 60 of these recommendations.

The first and foremost, the No. 1 priority, I think, that was considered in the DOD, was the procurement policy and, as a matter of fact, they put into effect our recommendation on procurement before the final report was published. They took it from us and put it into effect, and I would have to say that probably of all the things that we considered that the procurement policies were probably the No. 1 priority and I would add they probably still are.

Senator THURMOND. Thank you.

In view of your experience on the blue ribbon defense panel, which was a valuable experience, I am sure, would you care at this time to enumerate for the committee any particular plans that you feel that you are going to begin to formulate after you become Deputy Secretary of Defense?

Mr. CLEMENTS. No, sir, I don't think that I would, because to date, with Secretary Richardson's responsibilities with HEW, and the other things he has been doing, such as appearing before this committee, and so forth, we really haven't had an opportunity to discuss between ourselves what our priorities are or our plans, and the only thing that we have attacked and discussed at some great length between us are personnel requirements, the organizational requirements on, say, the top 22, 23 people within the DOD, and we have spent all of our time doing this, and we really haven't gotten into organizational matters yet. We will shortly. I am sure.

Senator THURMOND. The chairman referred to the procurement area, and this is certainly one of the most important in the Defense Department. Of course, here hundreds of millions of dollars are spent for weapons and in procurement. I would like to know, and I want to say, too, that this is one phase of working out in Government that needs a strong businessman, and we are hoping that you are going to give the direction that is needed here to see that the Government does get its money's worth, and also, not only that but also, does the research and development that is essential to the preservation of the future of this Nation.

So many systems today seem to be exotic, and too complex and too costly, and if we can handle the Defense Department in a way the public will see it is getting its money's worth, I think we will get stronger backing from public opinion.

Do you have any particular ideas in mind that you think would be helpful to arrest the spiraling costs of the weapons systems?

Mr. CLEMENTS. Yes, sir. These are oversimplifications, and I am sure you recognize this, this is a very complex question but I would like to see us tighten up controls in procurement. I think that we can significantly reduce the paperwork required, both before, during and after the letting of these major weapons systems contracts.

I would like to get the decisionmakers closer to the level of the actual work that is taking place and eliminate some of the layers that are in between the actual work and the decisionmaking at the top levels. I think that we can work toward a goal and effectively reach a closer dollar's worth for dollars spent. I would hope that we can effectively control these contracts better and thereby eliminate these overruns that we have been having. One of the ways to accomplish this is to have a much tighter and better contract before we ever start. This is similar to getting beat on the first tee in a golf match, and I think that we can help ourselves here.

The research and development part is certainly important, as you have stated, and this would receive some of our first attention. We must stay ahead on the technological side, and I don't know of anything that is more important than this technological base that we have, and this is the real difference between our forces and perhaps the Russian forces.

At the same time that we are doing all this, this "gold plating" that has been discussed, and the extreme cost of some of these exotic and sophisticated weapons probably we need to simplify these and get these more into a mode of a high use factor, higher reliability, and more redundancy, where we are not so dependent on these intricate black boxes and sophistication to where we can't maintain and keep it operative.

I am not sure that answers exactly what you wanted.

Senator THURMOND. Thank you.

I have often felt that if the Government could use methods similar to businessmen that it would simplify matters and there would be less paperwork, more practical work, more hardheaded decisions and more genuine desire to protect the Government's interest.

Mr. CLEMENTS. I agree.

Senator THURMOND. I sometimes feel that people in public office feel "It is the Government's money and we don't have to be too strict with it." I have always gone on the theory I want to be more strict in handling the Government's business than I do in handling my own business.

Mr. CLEMENTS. I join you in this.

Senator THURMOND. You feel that way, do you not?

Mr. CLEMENTS. I feel there is a fiduciary responsibility in handling the Government's money and I would be inclined to be even more careful with it than my own, and I want you to know I am very careful with my own.

Senator THURMOND. Evidently you are, you seem to have been very successful.

Mr. CLEMENTS. Yes, sir. [Laughter.]

Senator THURMOND. Mr. Clements, it does concern me that it takes 6 to 8 years to develop a major weapons system such as a tank or plane here in the United States. The Soviets apparently turn out good systems in about half the time. Do you feel an overhaul of our pro-

curement policies is needed along this line too to reduce this span and hopefully cut the costs at the same time, and do you think this can be accomplished?

Mr. CLEMENTS. I do, and I join you in believing that the leadtime for major weapons systems that run up into 6, 7, 8, and even 10 years, is just unacceptable. And, as far as I am concerned, we need to whack away at this in our most energetic manner, and reduce it. We just can't afford this kind of time.

Senator THURMOND. Mr. Clements, Admiral Rickover testified before our committee on his ideas of improvement in our procurement programs. I would urge that you study his testimony. I don't know whether you have had a chance to read it or not.

Mr. CLEMENTS. I have.

Senator THURMOND. And I hope you will talk with this man. I think he is one of the ablest men who has served our Government. He has been on the inside and he has seen the problems firsthand, and he calls the shots as he sees them. Some of his statements have offended some people in Government, but I think he is a very sincere, able man. There should be less concurrency in these programs; going from research and development to procurement too quickly causes problems. What is your view on concurrency?

Mr. CLEMENTS. I am a great admirer of Admiral Rickover, and I have discussed these things with him. I have read his testimony and studied his testimony before this committee, and I agree with him in this regard.

Senator THURMOND. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator.

Senator SYMINGTON.

Senator SYMINGTON. Mr. Clements, I am impressed with what you say about your thoughts with respect to procurement. Is this your first position in Government?

Mr. CLEMENTS. Yes, sir.

Senator SYMINGTON. I had an unusual experience with this blue ribbon defense panel, and let me hasten to say it did not occur in this committee. Another committee that I am a member of released it at the same time they released an executive hearing without the knowledge of the members of the committee, and naturally that was a surprise to some of us, and to me, especially as I had not seen or read the panel report, the minority panel report, which was included as a part of the release. And, therefore, I studied it and there are some questions I would like to ask you about it as long as it has come up.

As I understand, it was a minority supplemental statement to the report of the blue ribbon defense panel entitled "The Shifting Balance of Military Power." Is that correct?

Mr. CLEMENTS. Yes, sir.

Senator SYMINGTON. One of the principal points made in the report was that a number of trends indicated, and I quote, "a significant shifting of the strategic military balance against the United States and in favor of the Soviet Union, and if these trends continue the United States will become a second-rate power." That was on September 30, 1970.

Do you believe that during the past two and a half years the balance has shifted and that the United States is, in fact a second-rate power?

Mr. CLEMENTS. No, sir, and I don't think that is what that statement means. I think it says a trend, and I certainly concur with that statement. I joined in the statement. I think that trend has continued, and I would hope that as that curve would have this downward trend that we can reverse the curve. If I had a No. 1 objective in accepting this position, that would be it.

Senator SYMINGTON. Now, one of the trends cited was, and I quote: "the convincing evidence that the Soviet Union seeks a preemptive first strike capability."

In view of the SALT agreements and the evidence that the Soviet MIRV program is far behind the original estimates, do you still believe the Soviet Union is seeking a preemptive first strike capability?

Mr. CLEMENTS. My information, Senator Symington, as you could well appreciate, during this last 18-months period is not as current as it perhaps should be for me to comment. I have no reason not to believe what that statement says right there. I think this trend has continued and I do believe that they are seeking such a capability.

Senator SYMINGTON. Thank you.

Now, this report that you signed continues: "As we enter the seventies, the strategy of American superiority has given away to the concept of deterrence by maintaining an assured retaliatory capability."

It has been my understanding that the United States sought to maintain a credible second strike capability, not a first strike capability. Do you believe that the United States should develop a first strike capability against the Soviet Union?

Mr. CLEMENTS. Do I believe what? I didn't hear it.

Senator SYMINGTON. I am sorry. Do you believe that the United States should develop a first strike capability against the Soviet Union?

Mr. CLEMENTS. No, sir, I do not.

Senator SYMINGTON. Now, this report also states, and I quote: "The only viable national strategy is to regain and retain a clear superior strategic capability."

Do you still support that concept?

Mr. CLEMENTS. Yes, sir, I do.

Senator SYMINGTON. Well, if that is true, how do you reconcile Secretary Richardson's statement earlier this week in support of a policy of, and I quote, "sufficient deterrent capability."

Mr. CLEMENTS. I think that Secretary Richardson made a good point that the policy of a sufficiency as a deterrent coupled, and that is the important aspect, coupled with a clear advance position and superiority on the technological base, these two things coupled together give I think what I am saying. He is saying it in a different way. I don't think there is any conflict myself. I perhaps am saying it more directly.

Senator SYMINGTON. Thank you.

Now the report which you signed goes on to say that "In comparing the strategic capability of the United States and the Soviet Union, the use of the numbers game, namely the mere counting of warheads, without analysis of megatonnage, range, accuracy, survivability and reliability of delivery is misleading." This is a quote.

This is precisely the fight a number of us tried to make in an effort to defeat an amendment to the interim offensive agreement, stating that in seeking to make a future treaty that it would not limit the number of out ICBM's to an amount inferior to that of the Soviet Union and, if you remember, Dr. Kissinger defended the deal in the beginning by stating that it took into account with the Soviets our strategic bombers and our forward based aircraft.

Unfortunately for some of us, however, that amendment was accepted and the numbers game to which your report referred is perpetuating.

In view of the statement in the report you signed, do you support the amendment to the interim offensive agreement calling for equality of numbers in throw weight but not taking into account the other factors mentioned above, not to mention our forward based systems.

May I say that is a pretty long question. Would you like to answer it for the record?

Mr. CLEMENTS. I agree with you, Senator Symington. I am not sure I followed you all through it. I certainly stay by my statement in this supplementary report.

Senator SYMINGTON. Will you file an answer to that for the record?

Mr. CLEMENTS. Yes, sir, I will.

(The statement follows:)

It is my personal belief that we should not permit the United States either as a result of negotiations or as a result of unilateral action or inaction as a part of the United States to be placed in a position of inferiority in strategic military power. In determining whether any particular posture equates to "inferiority," all relevant factors should, of course, be considered. In making this judgment, the United States should, in my opinion, allow some margin of safety against the possibility of miscalculation.

I do not understand this position to be inconsistent with the language of House Joint Resolution 1227, Public Law 92-448, which approved and authorized the President's acceptance of the interim agreement between the United States of America and the Union of Soviet Socialist Republics with respect to the limitation of strategic offensive arms.

Senator SYMINGTON. There are some of us that are worried about our continuing unfavorable balance of payments and our steadily increasing national debt. According to an article in the Navy Times of January 10, 1937, you are quoted as saying that "Our country's No. 1 priority has to be national security," and that although there are social problems and needs, defense must come first.

Do you believe that a sound economy and the faith of the people in their Government are an equally important part of national security?

Mr. CLEMENTS. Yes, sir, I do. I made another statement in that regard that I do not believe that the Department of Defense can reclaim its position with the American public, and have the American public take the enormous pride that it has had in the past in our Department of Defense; until the public is better informed about our problems, and I would hope that Secretary Richardson and I can take some of these problems that are very fundamental to the very security of this country to the American public and have them reach an understanding of these problems, because the very strength of the Department must come from the public, and until we have that kind of understanding we won't have the kind of Department that I want.

Senator SYMINGTON. Well, I like that answer and, may I say, that I was the one who, as members of this committee know, tried very

hard to see that one of the two deputies was nominated as the No. 1 deputy because in the nuclear space age, because things can happen, very fast. That is why I am interested in your answer to the question I asked earlier and would appreciate your filing same for the record.

I am much impressed with what you say about procurement, and I thank you for your answers.

Mr. CLEMENTS. Thank you, Senator, and I made a note of it and I will file an answer with you.

Senator SYMINGTON. Thank you. That is all.

The CHAIRMAN. Senator Tower.

Senator TOWER. Mr. Chairman, I see no point in my presuming on the committee's time in that I know Mr. Clements, and I have since the time of the announcement of his nomination had an opportunity to discuss defense matters in depth with him, and I have been satisfied on every concern that I have. Therefore, I will yield.

The CHAIRMAN. All right, Senator.

Senator Byrd, that brings us to you, sir.

Senator BYRD. Thank you, Mr. Chairman.

I believe that I have used my quota of questions for this week. I will let other members of the committee have my time.

I do want to make just one or two observations. I noticed Mr. Clements, that you said you have never run for office nor do you expect to and that shows you have a lot more sense than a lot of us do. [Laughter.]

I assume, I understand that any potential conflict of interest has been worked out and it is no longer of concern.

Mr. CLEMENTS. Yes, sir.

Senator BYRD. You come to this committee under very fine sponsorship, Senator Tower and Senator Bentsen, two outstanding, very able Members of the Senate, and I like the way you talk. You are direct and frank, and I think what Washington needs as much as anything else are people in high positions who are willing to speak directly and speak frankly.

I am reading a dispatch that someone gave me a little while ago dated, I don't know whether it is November 15 or December 15, but it quotes you as saying "A major problem facing the new administration is rebuilding the public confidence in the Defense Department." And I think that is sound. I think you are on the right track there.

Then you are quoted as saying this: "It is not Secretary Laird's department, it is not Bill Clements' department. It belongs to the public." It belongs to the American people, and I think too many of us in Washington take for granted that the Congress belongs to the Senators and Congressmen, and the White House belongs to the President, and the various departments belong to the department heads, when, as a matter of fact all of these belong to the American people, and I like that statement of yours, Mr. Clements. It appeals to me a great deal.

I wish you the very best of luck in your new assignment, a very difficult one. I was very much impressed at the way Secretary Packard handled his responsibilities, and I am glad that the President has nominated you, with your great managerial skill, as Senator Tower put it, to take on this new and very difficult assignment.

I wish you the best of luck. I want to cooperate with you in any way possible. I don't know whether I can be helpful or not but whenever I can I want to be helpful to you and I am glad to support your confirmation.

Mr. CLEMENTS. Thank you, Senator Byrd, for those very kind words. I appreciate them.

The CHAIRMAN. Mr. Clements, going to this matter of procurement again, this is partly repetitious, but our committee has devoted a good deal of attention and a great deal of concern to the need of reforming this weapons system development and procurement process. We had to deal with many cases of weapons systems pushed into production before development was completed, and before adequate testing, particularly operational testing, had been done.

You wrestled with this problem on the Blue Ribbon Defense Panel, of which you were a member. A number of the witnesses have testified before our committee, and have emphasized the importance of using prototypes, that is hardware, instead of paper studies, as a basis for production decisions.

Several high level Defense Department officials have said privately to me that we often make a mistake by pushing programs too fast, that the services often understandably overemphasized the need for speed in selling a weapons program to the Department of Defense and to Congress. We know that this is natural, and we know instances of it.

What is your general view about these issues, particularly the need for speed in development as compared to the need to take the time to build these prototypes and test them. That is repetitious but in one way or another you are going to be put under a lot of pressure, as the committee is, to push things along. We must have this product, it is overdue.

What is your general view on the need for speed in development as compared to the need to take time for development of prototypes and test them?

Mr. CLEMENTS. Mr. Chairman, I don't think these things are in conflict. I am a strong advocate for testing and prototypes. I really think that, and I am on record that I feel this way in our blue ribbon report. We are the ones who advocated that. I think the catch phrase was "fly-before-you-buy," and I heartily concur with this.

At the same time I don't think that that method of approach is in any way in conflict with a good time frame, a proper time frame.

I answered Senator Thurmond awhile ago that I was not in agreement with this time schedule of 7, 8, 9, even 10 years to develop a major weapons system. I think this is much too long. I think that some of these things have been studied to death, and I personally believe that we can reduce this time frame, we can do the proper testing, we can save money, and we can come out with better weapons. I think we will do all these things. That does not mean that we are not going to have to reorganize the way we go about some of it. We are going to have to use different methods, we are going to have to approach our problems in a different manner, but I am convinced that this can be done, and I am certainly going to make every effort possible on my part to bring this about.

The CHAIRMAN. We certainly wish you well. We want to encourage you rather than discourage you, but you know, these weapons do take several years at the best and there are very few Secretaries who stay that long to follow it up.

I think you will make yourself felt, I don't have any doubt about that. I believe you will recognize that this hardware does take a good deal of time at best.

Mr. CLEMENTS. I certainly do and what I am really talking about is the difference between 4 or 5 years on a timely basis for a major weapons system versus 8 to 10 years, and you must realize that these are, these time frames, are very closely related to cost, and these cost overruns have a direct relationship to this expanded time frame. So as you shorten the time on a reasonable basis you also lower the costs.

The CHAIRMAN. Yes, sir.

Mr. CLEMENTS. There is a direct relationship here.

The CHAIRMAN. The Army worked hard and spent a lot of money trying to perfect what they call the main battle tank, year after year, and couldn't overcome certain problems. They finally announced they have abandoned it. With all deference, we had cut the money off—that is what stopped it. I am using that as an illustration of the pressure that will be on you. The same thing is true with other weapons systems.

On this authorization matter, we have something here that we are wedded to. The law says that weapons systems have to be authorized before the money can be appropriated for those weapons. You are familiar with that system.

Mr. CLEMENTS. Yes, sir.

The CHAIRMAN. You know we have a special statute on it, that bills have to be submitted to this committee to be justified, authorized, and so forth, before appropriations can be made.

I want you to promise to respect the system that when a matter is not authorized that you won't be trying to get the money appropriated anyway. Will you make that promise?

Mr. CLEMENTS. I will.

The CHAIRMAN. You promise that when you discover anyone in the services, civilian or military, trying to get money appropriated when it hasn't been authorized that you will lend your assistance in stopping that practice.

Mr. CLEMENTS. I certainly will, and I consider this a part of the discipline question, really.

The CHAIRMAN. We think it is part of your obligation. We have had some experience along these lines. No one has done anything criminal, but you fight hard for a weapon, get it authorized, only to find out later that while you were doing it that someone else in the Pentagon was trying to get appropriations for something that the committee had turned down. I am going to insist that everyone follow these authorization procedures.

Mr. CLEMENTS. I understand your point. I agree with you, and I will do everything I can to keep things within the proper channels.

The CHAIRMAN. Fine.

On this quality manpower which you and I talked about when we had our conference on your responsibilities, you already are very familiar with the fact that the overall costs of manpower is approach-

ing two-thirds of the Defense budget. It has increased sharply in the last few years. We have increased military pay in an effort to obtain an all-volunteer force. We haven't been able to get a clear-cut point of responsibility for manpower decisions in the Department of Defense. The Office of Assistant Secretary of Defense for Manpower and Reserve Affairs has often concentrated primarily on personnel policies, whereas the services themselves and other offices in the Defense Department have concentrated on requirements.

I am going to ask Mr. Schlesinger when he comes before us, if he will give his personal attention to seeing that someone in high civilian authority actually checks the manpower needs of those in military uniform and civilian status to carry out the responsibilities of the Defense Intelligence Agency's highly important work. I haven't been able to find anyone with this authority who has made an effort to measure the actual needs of that manpower.

Part of it is the responsibility of the Department of Defense. There has been a reorganization of the Intelligence community and those obligations put under the Director. On examination, however, I find that he doesn't have any power to enforce it. The military is still the one with the power so you will have to enter into that manpower problem. I am talking now about overall intelligence, not merely the CIA in its narrow sense, but the whole intelligence community.

I want you to promise that you will make every effort, as the No. 1 Deputy, and that is what Mr. Richardson assured us you would be, that you will give it your attention and be qualified to answer questions about it in committee?

Mr. CLEMENTS. I certainly will.

The CHAIRMAN. On the other highly important question of manpower, I do not want to reduce it to low but I realize that we will have to reduce the level somewhat, take out the fat and get more to the quality considerations in manpower generally since it is taking almost two-thirds of every military dollar. It will get to the point where we can't buy enough of these expensive weapons.

Will you consider this manpower problem as one of your concerns and responsibilities?

Mr. CLEMENTS. Yes, sir, and you will recall that we discussed this during one of our visits.

The CHAIRMAN. Yes.

Mr. CLEMENTS. And there certainly is going to be some reduction in the manpower quotas in the services as well as in the civilian rolls and this will be an item that will receive some of our first attention. I already know that, of course, pending our approval by the committee and the Senate.

The CHAIRMAN. Do you think that responsibility for manpower in the Department of Defense should be more effectively focused on one individual, say, an Assistant Secretary or perhaps one of the two Deputy Secretaries.

Mr. CLEMENTS. Yes, sir. There should be certainly a clear line of responsibility where answers can be obtained and programs controlled to effect these changes. There is no question about this.

The CHAIRMAN. With quality insisted on, too, in view of the large sums we are paying.

Mr. CLEMENTS. That is right.

The CHAIRMAN. If a man doesn't have the potential to be a soldier or a military man of the type you are trying to make him into, he is just a liability. To use any standard other than quality, you are just uselessly spending money and taking up room that should be occupied by others. How do you feel about that?

Mr. CLEMENTS. I concur generally in your statement, and certainly we cannot have our armed services just full of warm bodies, so to speak. There has to be quality there, and it has to be quality because the problem gets continually more complicated, and it does not have anything to do with race, creed, color, religion, or anything else, and we need to have a system that will reward this quality also.

The CHAIRMAN. Will you insist on at least those minimum qualities that you think are required rather than lowering the quality in order to take in people or a group of people?

Mr. CLEMENTS. Mr. Chairman, I am a firm believer in quality, and I am also a firm believer in people. And if we are going to have the kind of department that you will be proud of and I will take pride in, it must be based on the quality of people, and that is not only true just in the ranks, so to speak, it is true all the way up to the top, and we must have qualified and top quality people.

The CHAIRMAN. When I use that word "quality" I am not talking about sophistication.

Mr. CLEMENTS. I am not either.

The CHAIRMAN. I know you are not; nor education standards, social, or otherwise, but the qualities that go into making up an effective military man.

Mr. CLEMENTS. That is right.

The CHAIRMAN. The most difficult area of all that the military departments have is personnel because it includes officers, noncommissioned officers, enlisted men, all the rest. I am not asking you to follow a theory.

I think I have taken up my time. I do refer again, for the information of any who might not have been here, that these matters concerning the questioning of so-called conflicts of interest will be taken up within closed session.

Senator Hughes, we will get to you now in just a few minutes. Do you have some questions now, Senator? Senator Thurmond.

Senator THURMOND. Thank you, Mr. Chairman.

Mr. Clements, the newspapers have carried a report since the announcement of your appointment of certain litigation in which you are named as a party defendant. If you have not already done so in this hearing could you provide for the record a summary of this litigation?

Mr. CLEMENTS. Yes, sir, I would be happy to, and I have before me a summary from our outside counsel that I would like to submit to the committee.

Senator THURMOND. Mr. Chairman, I ask unanimous consent that that go in the record, too.

The CHAIRMAN. Well, there is no objection on the Chair's part. There might be some members who would want to look at it overnight is what I am thinking about, and we would have to make some arrangements with the reporter about taking it off.

Well now this is the old case that was filed many years ago.

Mr. CLEMENTS. That is right. It was filed in 1966.

The CHAIRMAN. Without objection that matter will be put in the record.

(The documents follow:)

STRASBURGER, PRICE, KELTON, MARTIN & UNIS,
Dallas, Tex., January 3, 1973.

Re No. CA 3-1841; *Diaz, et al., v. Southeastern Drilling Co., et al.*

W. P. CLEMENTS, Jr.,
SEDCO, Inc., 1901 North Akard, Dallas, Tex.

DEAR MR. CLEMENTS: You have asked us to briefly summarize the status of this litigation and to give you our opinion as to the probable outcome.

This litigation commenced in December, 1966, by the filing of two complaints, one by Antonio A. Diaz and the other by Great American Investment Company Limited, a Bahama Island's corporation. Great American claims to be the assignee of W. Dillin. Then in April, 1967, Trefina A. G. claiming to be the assignee of Charles F. O'Neill, intervened and all causes were consolidated into one case being styled Antonio A. Diaz vs. Southeastern Drilling Corp., et al.

The original complaints sought an accounting and alleged that the contract was more profitable than was reported by Southeastern Drilling Company of Argentina. However, when the original papers were filed, it was uncertain as to whether the net profit by Southeastern Drilling Company of Argentina would be subject to United States income tax. Further, it soon developed that a substantial controversy existed between Diaz and Trefina and Great American. Diaz claimed 1% each of the net profits owned by Trefina and Great American by virtue of written assignments.

In 1967, the Court determined that the controversy between the Plaintiffs should be determined first and an order was entered to that effect. From that time until recently the activity in the case revolved around the 2% dispute. There was a lengthy trial on this matter and in August of 1968, a judgment was entered in favor of Diaz against Trefina for 1% and in favor of Great American against Diaz on the other 1%. Meanwhile, the United States had intervened in the case because of large tax deficiencies against Dillin and O'Neill (\$663,207.20 against Dillin and \$734,826.25 against O'Neill). The United States obtained a default judgment against Trefina which was appealed and lost all the way up by Trefina. The main case was also appealed and the trial court's judgment was affirmed.

In addition to the 2% disputed funds, Southeastern Drilling Company of Argentina also held funds of Dillin and O'Neill which were not claimed by Diaz. These funds were not paid due to the tax liens which were filed by the United States in April of 1967.

Diaz has now been paid the Trefina 1%; however, a controversy still exists between Great American and the United States as to the ownership of the Dillin-Great American 1%. The government claims the assignment to Great American by Dillin was not valid and it, therefore, is entitled to the money under the tax lien. We expect this controversy will be tried before our part of the case is reached.

On December 18, 1972, we met with Warren Zimmerman, who now represents Diaz and Great American, for the purpose of clarifying the issues. This was at the Court's direction and a written report was made to the Court on this meeting. Plaintiffs' have long maintained that Southeastern Drilling Company of Argentina received more funds from Y.P.F. than reported. However, a deposition was taken of Y.P.F. and it showed our books to be accurate; therefore, Plaintiffs' have now abandoned this claim. Plaintiffs' are now asserting that we are not entitled to deduct a large amount of the expenses for the contract due to the fact that the voluminous, day to day vouchers were destroyed when the Company left Argentina. (You know, of course, that the books of original entry, being the peso general ledger and peso general journal, are there in your offices.) They also claim that some of the expenses were not reasonable and that we failed to place large amounts of cash in interest bearing accounts.

In connection with their attempts to disallow expenses, Plaintiffs' take the position that SEDCO, Inc. was not to charge any overhead on this job. They claim you stated in Argentina at the "net profit" agreement signing that no such overhead would be charged and that this was a confirmation of an earlier

conversation you had with Dillin in Dallas. You will remember that the U.S. Internal Revenue Service actually made SEDCO, Inc. take into income approximately double the amount of overhead charge actually paid by Southeastern Drilling Company of Argentina.

To date Plaintiffs' have demonstrated no evidence which leads us to believe they have a meritorious claim. It has not been determined whether the United States or Argentinian law will be applicable; and to this end, Tom Rhodes has asked Oscar Elkin to do some briefing in Argentina. However, even if the Argentinian or United States' law shifts the burden to us for proof of expenses, it appears that we can meet that burden as the original general peso ledger and general peso journal are available and persons with firsthand knowledge are available to testify (Irving Davis and Jack Smith). Therefore, we are of the opinion that the case can be successfully defended.

Re: No. CA 3-6609; *Antonio A. Diaz v. W. P. Clements, Jr., and SEDCO, Inc.*

We have also obtained a copy of Mr. Diaz's recently filed suit in which he alleges that you libeled him in your news conference of December 19, 1972. We have reviewed the complaint in this case, which includes attachments of the newspaper articles, and in our opinion the alleged statements were not defamatory of Mr. Diaz. Therefore, we believe this case can be successfully defended.

Your very truly,

MARK MARTIN.

Senator THURMOND. Mr. Clements, it is my understanding from the press reports that you have had a press conference to explain this litigation and a complaint that has been filed against you, and the comments that have been made. Do you have and could you furnish for the record a transcript of your press conference?

Mr. CLEMENTS. Yes, sir; I do and I would like to submit it to you.

Senator THURMOND. Mr. Chairman, I ask unanimous consent that that go into the record, too.

The CHAIRMAN. Yes, without objection that matter will be put in the record.

(The information follows:)

(Transcript of tape of Ronald George)

W. P. CLEMENTS, JR., PRESS CONFERENCE, DECEMBER 18, 1972

For clarification purposes and generally make a statement about it, and then as you might wish if I haven't answered your questions we will just open it up and we'll talk about it—does that suit you, everybody? O.K. we're ready to go. I might add one other thing before we start here, that after I am through with my statement and we get into the question area, if there are details with respect to either tax cases or court references or anything of that nature that you want, that's what all this is and anything that you need is right here and we have nothing whatsoever to hide and anything you want to know we're happy to talk to you about it.

STATEMENT OF MR. CLEMENTS

I appreciate the opportunity to answer some of the statements that have been in the papers and the press media in regard to an operation that SEDCO Southeastern of Argentina had in Argentina approximately ten years ago—in fact it goes back a little further than that, it's twelve years ago, and the source for most of this information apparently is coming from two American malcontents who are disgruntled over the position that they now find themselves in, which is that both of them have had sizable tax liens levied against them by the U.S. Tax Courts and because of this they would apparently like to cause me whatever trouble that they can in this appointment. In the case of Mr. Dillin who was formerly an Humble Oil Company employee and lived in Corpus Christi, he had a tax case in the U.S. Tax Court in 1971 in which the Court found him guilty of avoiding and not paying his taxes due on monies that were related to the Argentina contract and levied against him in an amount of approximately

\$650,000, and clearly stated in the ruling that this man had given up his citizenship in order to avoid these tax levies. This is in Volume 56 of the Tax Court Reports, No. 22, Decision 30762, filed May 6, 1971, and Mr. Dillin is peeved no doubt because the Government, IRS, called upon us as witnesses for the Government, and we appeared in the Court, this is all a part of the record, we have a transcript of this record for you if you would like to look at it.

Mr. O'Neill who was or is an attorney, educated at Georgetown University in Washington, D.C. worked for the State Department—he is also disgruntled and unhappy and he also has been levied in an amount of approximately \$650,000 with a tax lien. Both of these men are living overseas and according to the information I have can't return to the United States because of this tax problem. So far as our particular situation is concerned with respect to these two people they were referred to us in complete good faith—one as an ex-Humble Oil Company employee and another as an ex-State Department employee and we accepted this recommendation for what it would appear to be. We have a contract with these gentlemen, as well as Mr. Diaz who is an Argentine, and the terms of this contract have never been questioned in any way, they have never attacked the contract, now I doubt that they will. It is very clear, it's firm, it's well understood and we have performed in every way so far as this contract is concerned. As far as I know, they have no complaints about it. In Argentina we had Price Waterhouse & Company as our auditors and we feel that they performed a very satisfactory service for us—all of our reports were made to the Argentine Government and in no sense does the Argentine Government have any claims whatsoever against us. They have accepted all of our audited statements and there are no tax problems or any other problems in Argentina. The contract that we received down there was a public tender, a public international tender. There were about 20 people all over the country, all over the world, who responded to his, some in France, some in England, some in Italy as well as U.S. contractors and after the tenders were open publicly, we were one of five or six, I'm not sure of the number, who were considered to be qualified and among the qualified bidders, we were the low bidder. It was a public tender. We have no apologies to make whatsoever.

The contract was performed in a very exemplary manner, we received plaudits from the Argentine Government with respect to our performance under the contract. We actually drilled something slightly over a thousand wells, we finished the contract on time, there were no overages within the terms of the original contract and they were extremely satisfied. I might add that subsequently after our contract was let, several other contracts were let with Italian companies and American companies, drilling contracts I'm talking about now, that followed our pattern of contract and our price and we actually, in fact, set the pattern in Argentina for not only the price and the contract, but also the technology that related to the drilling of these wells. We have great pride in the performance of that contract and I think that YPF which is the Argentine Government Petroleum Agency, I think that they also take great pride in this contract and show this by using it as a pattern in other relationships with other contractors. In the United States we had our auditors, Haskins & Sells, that we have historically used. Again, these audits were completed, we reported our taxes to the Internal Revenue Service. There was never any questions about them and we have as the saying goes, a complete clean Bill of Health through the IRS. It's interesting to note that apparently in the report that was published that Stanley Krysa, who is a Justice Department Tax lawyer, stated this. He said he was unaware of any IRS claim, corporate or personal, against SEDCO or any officers or directors, now or in the past. He further said the Government's only interest in the case, is collecting money due from two American middlemen who helped set up the Argentine deal, and according to U.S. Tax Court testimony, left the United States to avoid paying taxes. I think that speaks for itself. I want to emphasize that there is no suit whatsoever against SEDCO and there certainly is no suit against me as an individual.

Now, one other point I would like to make in these allegations has to do with an innuendo or the nuances of the statement that had to do with bribery. This is a very sensitive area and like most of you, I feel sure that you would be sensitive as I am about these kind of inferences. The record plainly shows that over a period of six years, these three people, Dillin, O'Neill and Diaz, have been fighting among themselves with various lawsuits and contentions, over a 2% participation—among themselves—we haven't even been a party to these suits and whatever has to do with this bribery charge, which has certainly not

been proved in any way, has to do with them and not us, and in no way as the record clearly indicates, in no way relates to our contract. It's a completely unrelated matter and it's a charge that has been levied between these three people—not us, and our name has never been mentioned in this, contrary to what this article would have you to believe. We have all the basic records. Again, there was an inference in here that important documents had been destroyed with the inference again that we had destroyed evidence or some other such claim that might be read between the lines. Nothing could be further from the truth. All of the basic records are in our possession, right here in Dallas, Texas. They are available, they had to be available for the Internal Revenue Service, as I'm sure all of you understand, and they further have to be available in order for us to answer any allegations that come out of the suit that is now pending, which again is not a suit against me as an individual. So, we have the records, and the records will speak for themselves. In conclusion, I would say that I want you to know that I have great confidence in the Judicial system of the United States. I have no fear whatsoever of what the Court may decide, and I think that if these three characters had had anything to say that was legitimate, they wouldn't have waited ten years to do it. Now, I would be happy to answer any questions.

Question. Mr. Clements, taking everything they have said at face value, is this strictly a personal matter between these men and you or are there political implications?

CLEMENTS. Well, since they have given up their citizenship, I don't see how they can have much of a political stance, do you? I mean, what political motivation can they have when they are not even citizens of the United States. I think their leaving the country in order to avoid taxes says a whole lot and for me to presume to try to read their minds or try to understand them or to try to project myself into what they are thinking, it's just not possible, because we are not on the same wave length with them.

Question. Question distorted on tape. Question from shorthand notes reads as follows: In the Diaz suit in the Federal Court House, your name appears in the style of the case as well as the company.

CLEMENTS. I can't really answer that. I have no control over what somebody says or does or who sues who or this sort of thing. But, legally and our General Counsel here can probably answer this better than I, but legally, they have served me as a Trustee representing the interest of the shareholders of a liquidated company. When we finished this contract in Argentina and after several years, it no longer served our purposes in Argentina and so we dissolved it and as a dissolved corporation, it has to have a Trustee who represents the shareholders of that dissolved corporation. So, Diaz is suing me as Trustee, not as an individual.

Question. Question distorted on tape.

CLEMENTS. I don't think so, does it Tom?

RHODES. Well, I mean in a very formal sense—yes, but the sole cause of action is because that the company, they claim, did not adequately report its profits, so it's not a suit for anything Mr. Clements did or any individual shareholder did or any officer or director. It's just the fact that they say this company should have reported more profit than it actually did, and we feel our profits are backed up by all these reports and there is no basis for this. It's solely in a fiduciary capacity.

CLEMENTS. As representative of the other company. According to law on a dissolved corporation, I function in a fiduciary capacity as a trustee. If the corporation were still in business, they would be suing the corporation, not me or not me as a trustee.

RHODES. Shareholder—

CLEMENTS. But there is no corporation so as a trustee of the responsibilities of that corporation in a fiduciary capacity, I am named in the suit.

Question. Question distorted on tape—shorthand notes reads as follows: So, it doesn't mean that you are personally liable?

CLEMENTS. No, not at all.

RHODES. As a shareholder he could ultimately have some responsibility.

Question. Question distorted on tape. Shorthand notes reads as follows: Were you aware of the Argentina laws about keeping the records for 10 years before destroying them?

CLEMENTS. We have the records.

Question. You have the records?

CLEMENTS. Sure and we have no problem with the Argentine law and I might add that the Government of Argentina has never asked for a record of any kind that we haven't supplied them. Now, we are not going to supply them to Mr. Schwartz of the AP or we are not going to supply them to Mr. Dillin of the Bahamas, as an example, but if the Argentine government wants the records, you can be sure that we have the records that they will want. They have never asked for them, and I doubt that they will. Now, you can certainly understand that if the IRS of the United States thought that this contract should have yielded more profits than we reported, I think all of us can agree that they would have asked for it. That's the name of the game as far as they are concerned.

Question. Question distorted on tape. Shorthand notes reads as follows: Has the Argentina government asked you not to come back?

CLEMENTS. Look, I have been in Argentina in the last 12 months. They have asked us to come down there and develop a feasibility study which they are now using on a roughly \$100,000,000 gas transmission line, and our relationship with the Argentine government is first class. Some of the people that we did business with on this contract are still down there in the upper management echelon's of YPF, and they are friends of mine. I get Christmas cards from them, etc. Why don't we ask whether Mr. Dillin or Mr. O'Neill have been back to Argentina—and the answer is "Hell no."

Question. Question distorted on tape.

CLEMENTS. That would be repetitious to everyone else, so if you don't mind, why don't we answer whatever questions remain for the others, and then I will pick you up on the tail end, if you don't mind—is that alright? Does anybody else have any questions they would like to ask?

Question. Question distorted on tape. Shorthand notes reads as follows: Mr. Clements, have you gotten any expression of support from Mr. Nixon beyond the nomination?

CLEMENTS. No, and I wouldn't expect any at this point. I spent all morning and through lunch with Senator Stennis, and he didn't even consider this important enough to discuss. So, no problems. I don't think there are any problems.

Question. Question distorted on tape.

CLEMENTS. You know this is an interesting area because you know there is an old saw about "consider the source" and I think in this instance it has a good application.

Question. Question distorted on tape. Shorthand notes reads as follows: The three men you mentioned?

CLEMENTS. I certainly am. I think that when you consider the source of two Americans who would give up their citizenship for a few bucks, it puts it into perspective. I am still here and I am paying my taxes, but they aren't.

Question. Question distorted on tape. Shorthand notes reads as follows: I have a story here from Mr. Schwartz in which you were asked about the records and you were quoted as saying, I believe, that the records were too bulky to ship back to the States.

CLEMENTS. Now, wait a minute. I will answer that one and we are talking about Mr. Rhodes response to Mr. Schwartz, but I want to make it clear I haven't talked to Mr. Schwartz.

Question. Any reason why you haven't?

CLEMENTS. No, not before, but there may be a very good reason now.

Question. Well, were you misquoted about having destroyed the records and now you say they are not destroyed?

CLEMENTS. No, Mr. Schwartz for his own good reasons, apparently wanted to put emphasis where emphasis didn't belong. What we are talking about are the detailed kind of records that are not significant and really aren't relevant to an overall view of what we did down there. The basic journals, the basic entries—all of the things that really count are in our possession. Payroll receipts by individuals, as an example, are not in our possession, they have already been audited by Price-Waterhouse and destroyed, and we don't practice this just in Argentina we do exactly the same thing right here in Dallas, Texas. So those tremendous volumes of detail supporting receipts and things like that, once you have gone through your audit, Price-Waterhouse has checked it and audited it, you destroy those things. Otherwise, you would have to move out of your offices and out in the street. It would finally get the best of you.

Question. Does this include expense vouchers and things of that nature?

CLEMENTS. Well, it depends on for what. Certain expense vouchers, it certainly would. If I bought an airplane ticket and went to Buenos Aires, that would probably be destroyed.

Question. Question distorted on tape. Shorthand notes reads as follows: I think the question someone would like to ask is if you think this would have any bearing on your confirmation?

CLEMENTS. I don't really think so. You know these things come up all the time, and apparently some people take great pleasure in raising an issue of this kind and in some perverse way, they seem to be seeking publicity and I'm not so sure that that doesn't apply here. There is no substance to these charges and I think that the attorney and director there in the Justice Department and the IRS have answered it completely. They have no interest in this and they have already been over it and have complete clearance and Bill of Health, and we can answer any questions anybody wants. We have no secrets from anybody. Our relationship with the Argentine government speaks for itself, and I don't believe there will be any serious questions. Just consider the source like I said a while ago.

Question. Question distorted on tape.

CLEMENTS. Overhead allocation has to do with the common practice among drilling contractors and I want to make this very clear to everyone of you people, I am not a so-called "Oilman". I am a drilling contractor and there is a vast difference. I wish that I were an oilman, but it just so happens that I'm a drilling contractor. Now, drilling contractors, historically, on a standard accounting practice, that is accepted by the IRS, charge overhead on a unit that is a rig operating day, per rig per operating day basis. This is a well accepted practice. It's in our standard accounting procedures that all drilling contractors use—International drilling contractors. The IRS has a number that they say is the number that we must use and we use it. And Mr. Diaz is saying, I don't like that number and I'm going to sue you. Now, in it's simplest form, that's what the lawsuit is all about—and we are saying well you may not like it, but the IRS thinks that it is the right number and that's what we are going to use. It's just that simple. Is this not correct, Tom?

RHODES. Yes, that's exactly right.

CLEMENTS. This is the guts of that lawsuit and that's all it is.

Question. Question distorted on tape. Shorthand notes indicate the question was in relation to the bribery or conspiracy charge.

CLEMENTS. This is strictly a civil suit, now you start getting into fraud, like your Mr. Schwartz is using that term, and conspiracy, you get into a criminal area and I resent this. I am serious about this. I think that he is doing things here that are unethical, and are other than the facts. The facts will not support this at all. As a matter of fact, I question his motives. I don't know what his motives are.

Question. Question distorted on tape.

CLEMENTS. I want to get this strictly clear with you—you still seem to have some misunderstanding that the IRS has got us mixed up in this thing—they haven't.

Question. Question distorted on tape.

CLEMENTS. You know what happened, this Mr. Schwartz advised my secretary that he was going to go to France and he was going to talk to Mr. O'Neill because Mr. O'Neill can't come to the United States and so he has undoubtedly gone over there and this is on heresay, again you know it's the pie in the sky and something that is off in the future and is in no sense related to any factual information.

Question. Question distorted on tape.

CLEMENTS. No, but he says it.

(END OF TAPE)

Senator THURMOND. Mr. Clements, there has also appeared in the press some allegation that your company, SEDCO, did not disclose the litigation to the Securities and Exchange Commission as a contingent liability. Now I believe you responded to the Chairman on that today and that those records have been and those papers have been put in the record.

Mr. CLEMENTS. Yes, sir; and, Senator Thurmond, Mr. Casey, the Chairman, has responded directly to Senator Proxmire that this is not—

Senator THURMOND. Yes, sir, and that covers it completely, does it?

Mr. CLEMENTS. Yes, sir, it does.

Senator THURMOND. Thank you very much. No further questions, Mr. Chairman. Thank you, Mr. Clements.

Mr. CLEMENTS. Thank you.

The CHAIRMAN. Senator Hughes.

Senator HUGHES. Thank you very much, Mr. Chairman.

Mr. Secretary, I apologize for being late but I didn't realize until after the caucus that we were meeting late this afternoon and so I apologize to you, sir, and to the committee.

Mr. Secretary, as I read your background biographical information I noticed you are a member of the Oil and Gas Association, the Independent Petroleum Association of America, and National Petroleum Council. I guess the first question I should ask you is can you give me 10 million gallons of No. 2 fuel oil for Iowa by tomorrow night.

Mr. CLEMENTS. Senator Hughes, you must understand that while the newspapers have termed me an oil man, and I would like to be so termed, but unfortunately I am not. I am a contractor, and I would like to supply you fuel oil but I don't have any.

Senator HUGHES. That is the answer I am getting from all the oil companies in America while my people are starting to freeze to death out there.

Just to give you an example, Mr. Secretary, this week the Defense Fuel Supply Center solicited bids for 7½ million barrels of JP-4 aviation fuel to cover military needs between now and March 31. I am told this is four million more barrels than were deemed necessary as recently as mid-December to cover the new period, so I can only assume the bombing in December used up approximately that much in supply that they want to replace.

I am also told that this 7½ million barrels is the equivalent of 1.7 million barrels of domestic heating oil or 72 million gallons. Are you familiar enough to be able to make that conversion rapidly? Would that—

Mr. CLEMENTS. Well, there are approximately 44 gallons per barrel and I don't happen to have my slide rule with me so I can't handle the numbers in my head.

Senator HUGHES. Would I be far afield by saying that three weeks of bombing in December is causing the Midwest to be out of fuel this winter, and hospitals and schools closed for lack of fuel and heating oil?

Mr. CLEMENTS. I am not in position to extrapolate that theory, so I would have to beg off on that one.

Senator HUGHES. As a politician I can use it though. [Laughter.]

It seems to be a parallel to me that one of the byproducts of war, so to speak, is that we go cold in the middle of the year as a result of bombing. We are pretty cold about it anyway, some of us.

Senator TOWER. Would you yield at that point? Two factors: A lot of that fuel that is used over there is off-shore procurement, in other words does not come from our domestic supplies.

Second, fuel oil is largely from residual and residuals which we don't refine to any great extent in this country, which is important.

Senator HUGHES. We have been—I don't want to debate the issue of fuel oil, I was halfway facetious anyway, Senator Tower, but if you want to debate fuel oil from the great state of Texas—

Senator TOWER. We would love to sell you some gas if you would just pay us for it.

Senator HUGHES. If you ship natural gas or propane into the State of Iowa they would be glad to pay what you want for it.

To give you an example of the world supplies being as what they are, if they are used up one place they can't be used in another; they can't be converted in times of emergencies or anywhere else. I did consult with my staff and with aviation specialists to determine that each B-52 flying each day from Guam to Vietnam consumes about 70,000 gallons of aviation fuel. For a hundred missions, this would be seven million gallons and our need in Iowa daily is six million gallons. So if we were flying a hundred B-52's at that rate we would be exceeding the rate of our total fuel consumption needs right now.

But to get to the point of your appointment, Mr. Secretary, I was interested in the supplemental statement filed by you with the blue ribbon defense panel on September 30, 1970, and some of my questions are asked against the summary finding of that report of which you were a co-author, I believe, is that correct?

Mr. CLEMENTS. That is correct.

Senator HUGHES. Since your supplemental statement was issued the President has negotiated and the Congress has approved a treaty covering various weapons. In your view have these agreements substantially eased the international hazard you foresaw in 1970?

Mr. CLEMENTS. No, sir; I don't think so.

Senator HUGHES. Your brief is that the agreements do not ease the hazards that you were potentially afraid of.

Mr. CLEMENTS. No, I wouldn't say that. But—

Senator HUGHES. What did they do then to ease those hazards?

Mr. CLEMENTS. I think that remains to be seen. That was just a preliminary step and, of course, we have SALT II ahead of us, and I think it is premature to reach a judgment on those discussions at this time.

Senator HUGHES. Could I read you then a few of the statements that were made in that supplemental views and ask if it still reflects your views today:

Unless the American people wish to accept the status of a second rate power . . . the only viable national strategy is to regain and retain a clearly superior strategic capability.

Do you still believe we should seek superiority rather than sufficiency?

Mr. CLEMENTS. Yes, sir, I do.

Senator HUGHES. And in relationship to SALT do you believe the ABM treaty and interim agreement are consistent with your views?

Mr. CLEMENTS. Yes, sir; I think that they have a common objective, which, of course, is to achieve peace in the world, and I don't think that they conflict with each other in that regard.

Senator HUGHES. Well then, it must be your opinion that they will achieve superiority for the United States if they don't conflict with your present view.

Mr. CLEMENTS. Not necessarily, I think the negotiations are still going on and exactly what tack they will take in the future which are going to be really far more important and more significant than SALT I, and I think we are looking into the future on that.

Senator HUGHES. If you had been a Senator would you have voted for those agreements?

Mr. CLEMENTS. It is a pretty hypothetical situation. I have never held public office and I have no plans to run for anything and so I can't really project myself into your position.

Senator HUGHES. You are running for one right now in a sense. Would you support them now as Deputy Secretary?

Mr. CLEMENTS. I would support the President.

Senator HUGHES. Regardless of the decisions.

Mr. CLEMENTS. My position, Senator Hughes, is that President Nixon has asked me to be the Deputy Secretary, subject to your approval, and in a very real sense I work for him, I work for him in the same sense that I have heard this group talk in terms of discipline, and my views will be listened to, I am sure, and I will put them forward, but when he decides on a program you can be sure that I will support him.

Senator HUGHES. Then could I ask your view in relationship to limited nuclear warheads in Vietnam? Would you recommend the use of a nuclear warhead in North Vietnam if there is no agreement reached?

Mr. CLEMENTS. I would have to study that question. I have not had it posed heretofore and I am not prepared to answer at this particular point.

Senator HUGHES. In other words, you can't say that you would not recommend it.

Mr. CLEMENTS. I wouldn't say that I either would not or would.

Senator HUGHES. If the President recommended it you would support it in line with what you previously said.

Mr. CLEMENTS. Senator Hughes, it would boil down to the fact that I would either support it or you would find me going back to Dallas.

Senator HUGHES. If you had that choice to make, which would you make, Mr. Secretary?

Mr. CLEMENTS. I am not prepared to make that today.

Senator HUGHES. In other words, you won't eliminate in your own mind the consideration of nuclear warheads in North Vietnam if no agreement is reached.

Mr. CLEMENTS. No, sir, I would not eliminate it. And that is not to say I would be in favor of it either.

Senator HUGHES. This statement says that "since World War II a degree of world order has been maintained almost solely by the dominance of U.S. strategic military strength." I would assume by that you would also support U.S. military intervention in Greece, Korea, Turkey, Lebanon and Vietnam, is that correct?

Mr. CLEMENTS. I didn't follow what you said in the question.

Senator HUGHES. The quote from the report says that "since World War II a degree of world order has been maintained almost solely by the dominance of U.S. strategic military strength."

Mr. CLEMENTS. Yes, sir.

Senator HUGHES. And I made an assumption from that that by that you supported the U.S. military interventions in Greece, Turkey, Korea, Lebanon and Vietnam. Is that correct?

Mr. CLEMENTS. Generally I would say that that is correct.

Senator HUGHES. Do you believe that the U.S. should continue to act as a world policeman?

Mr. CLEMENTS. No, sir.

Senator HUGHES. What do you think we are going to have to do?

Mr. CLEMENTS. I am really not prepared to give a definitive answer on that but while we are evolving a program as the President is trying to do in his negotiations, I am completely satisfied that we must maintain a position of strength in order to fortify and support this era of negotiations and, hopefully, his negotiations will bring about a system of world peace that we will all be pleased with. But he certainly cannot, and must not be put in a position of trying to negotiate from weakness. We must be strong.

Senator HUGHES. The panel statement calls manned bombers such as B-52's "relatively obsolete," is that correct?

Mr. CLEMENTS. Yes, sir. I would say that in the nomenclature of modern weapons systems that the B-52 is relatively obsolete. I think that that is generally agreed.

Senator HUGHES. In view of that statement is the B-1 essential or is it just merely nice to have?

Mr. CLEMENTS. In my opinion it is essential.

Senator HUGHES. Give me the reasons why.

Mr. CLEMENTS. Yes, sir, I think that in order for us to maintain our position of sufficiency or superiority or even in the area of the position of technical competence that we need the B-1.

Senator HUGHES. Do you think it is an effective intercontinental weapon?

Mr. CLEMENTS. Would you mind saying that again, please?

Senator HUGHES. Do you think the B-1 will be an effective intercontinental weapon?

Mr. HUGHES. Yes, sir, I do.

Senator HUGHES. Do you think the experience in North Vietnam in the last month and a half indicates that it will?

Mr. CLEMENTS. Yes, sir. I think more than ever it gives us solid hard facts that it would be.

Senator HUGHES. That enough of them would get through so that it would be an effective offensive weapon.

Mr. CLEMENTS. Absolutely. I think the experience of the B-52's in the last month and a half, and the penetration that they have been able to achieve, is greater than was anticipated which, in turn, means the weapons system like the B-1 would be highly successful.

Senator HUGHES. The statement I believe called for wider public understanding and knowledge of the facts about Defense postures, is that right?

Mr. CLEMENTS. Senator Hughes, I am afraid that microphone may be just a little far from you. Would you mind pulling it. I don't understand your question.

Senator HUGHES. I think the statement called for a wider public understanding and knowledge of the facts about Defense postures.

Mr. CLEMENTS. Yes, sir; I have a strong belief in that that we need to take the public and to the people more of the problems of our national security, our Department of Defense, and have an understanding in the public of these problems, and I would hope that Secretary Richardson and I will have as an important part of our program a sharing of this information with the public, and I am confident that if the public really understands our position and our problems that they will support these programs, and they will give a sense of great strength to the Department. After all, this Department of Defense does belong to the public, it doesn't belong to us, it doesn't belong to the Senate, it doesn't belong to anybody, it belongs to the public.

Senator HUGHES. I am, of course, pleased to hear you say that and I would wonder along those lines if you would agree that a full disclosure of the bombing effects in North Vietnam during December would be information that the public of America should have also.

Mr. CLEMENT. The bombing effects?

Senator HUGHES. Yes.

Mr. CLEMENTS. Well, I think this is a completely different question. I am told that the Department of Defense is reluctant to give out details with respect to the bombing at this particular time because it would affect the safety and the security of the pilots that are over there operating, and I think that this is probably a true position, and I would agree with it and, therefore, operating details with respect to what is happening on a day-to-day basis with the operations in Vietnam, I would not be in favor of making disclosure of these on a current basis. In time, in the future, when it is not endangering the lives of our service people, I would certainly be in favor of this. I see nothing wrong with it at all.

Senator HUGHES. Mr. Secretary, as you know probably, I introduced an air war public disclosure act last year which, so far as I know, did not get assigned to a subcommittee and didn't get any consideration. I intend to reintroduce it again, which would require 10 days after the close of each month, the disclosure of the number of sorties flown in each country, the number of bombs dropped in each country, the assessed losses in each country. I can see nowhere that this would be a conflict of public interest or reflection to the enemy of something they already didn't know. They have full knowledge of what we are doing there. We in America are the only ones that don't have the knowledge about what we are doing there.

Why shouldn't the press get the release of these figures on a timely basis? Why should it be concealed from the American people when it is not concealed from the enemy?

Mr. CLEMENTS. If it does not have some real purpose to the security of our service people, I would be in favor of releasing it.

Senator HUGHES. Will you make or try to get yourself and Secretary Richardson to make an examination of it?

Mr. CLEMENTS. I will certainly do that.

Senator HUGHES. We have tried repeatedly to get the information released by the Pentagon. They are willing to give it to me privately on a confidential basis, I have no objections to that, or to the committee. They will give it to us in briefings and reports, but I want it released to the American people because I, for the life of me, can't see a thing in there that the American people shouldn't be told. You

want confidence in the military and confidence in support for it, and I agree that we should support the military and have confidence and support. But in order to do that we ought to be entitled to see what we are doing in an area that is as controversial as this one is. And we believe in the people in the Defense Department, as you expressed, and I share it, then we ought to give the American people that sort of information I think.

Mr. CLEMENTS. We will look into it.

Senator HUGHES. Thank you, Mr. Secretary.

Mr. Secretary, you have been quoted as saying weapons such as the ABM, B-1 and Trident are aces or bargaining chips to use in negotiations. Now if we proceed with these systems can we really stop the programs if agreement can be reached, or will we be committed to develop and deploy them once we have invested so much money in them?

Mr. CLEMENTS. That is a tough one to comment on with respect to stopping the programs, and I don't think that any of us really has sufficient knowledge of what will be required in the years to come to know whether or not it would be desirable to stop the programs. I would personally doubt it.

I think that for our long-term strategic position that we need these systems or at least the technological base to have the systems in a very viable form if we want them, and I cannot foresee the day when we won't need these systems.

Senator HUGHES. If I understand you, you are saying that these programs are justified for themselves and are not just bargaining chips.

Mr. CLEMENTS. I don't believe the bargaining chip was my word, was it?

Senator HUGHES. No, but that is the word that has been slung around here a lot.

Mr. CLEMENTS. That must be someone else's word.

Senator HUGHES. I don't quote you. I was asking a question.

Mr. CLEMENTS. Yes.

I wouldn't use that term myself. I think that our position justifies these systems, and we need these systems, and I think that by our having these systems or at least the technological base to have them, and with this being a fact and not a theory, and not even a concept, but a real base, that the President's negotiating stance is vastly improved, and I think we need these things.

Senator HUGHES. I would assume you would share the hope with most Americans, and I think probably with all Americans, that we would never have to use any one of these programs.

Mr. CLEMENTS. I agree completely. I would hope that we had developed the systems and have them in our arsenal, so to speak, and they would become obsolete and never used. I concur completely.

Senator HUGHES. A little earlier you talked about military discipline and your firm belief in it. Would you expand on that a little?

Mr. CLEMENTS. Yes, sir.

Senator HUGHES. I am naturally thinking about John Lavelle and the 7th Air Force from October 1971 to April 1972 in relationship to the rest of the discipline problems of the country, and even in relationship to the young captain today who has refused to fly missions over North Vietnam in which case, I assume, firm discipline will be

applied. I hope you will just try to put the whole thing together for me. How do you think discipline should be applied fairly and justly down the line?

Mr. CLEMENTS. I would agree to this generally as opposed to specific cases. I don't have any specific knowledge of specific cases to discuss them intelligently or definitively.

Senator HUGHES. All right.

Mr. CLEMENTS. I can't imagine a good on-going defense structure or military organization without topnotch discipline. It is an inherent requirement. At the same time this discipline must also be of such a nature that it encourages development, it provides equal opportunity for everyone, and these factors, in turn, will give a very high degree of morale within the ranks.

I also think that discipline must start at the top. Like most things in any organization, it can't start at the bottom, and the tone of an organization is taken from the top. So to have discipline you must have, expect and have, the same criteria for discipline from the top to the bottom, and I would hope that our armed services will work toward an esprit de corps, if you will, that has been in the past so typified by the Marines and, at the same time, in all fairness and with complete equal opportunity for everyone for advancement and for learning and educational opportunities that at the same time we would have first class discipline. This is what I would like to say.

Senator HUGHES. Well, I think we all share in those hopes Mr. Secretary, of equal application of justice and discipline in the armed services as well as in the civilian sector of our society. I am sorry to say, as one Senator, I have come to believe that that has not been applied. I regretted even watching the television reporting of the young assassin down in Louisiana, that his family felt that the seeds for those murders were sown in the U.S. Navy as a result of difficulties found there, which is a terrible thing. Now there is no way to tie that together and maybe that was an unfair association, but I asked some questions of Secretary Richardson which I am sure you would agree with. You already seemed to answer them.

Will you work to see that equal opportunities obtain for blacks and minorities at all levels from officers down and through the lowest grades in the military?

Mr. CLEMENTS. I certainly will.

Senator HUGHES. And to see that equal and fair opportunity for advancement and job assignment is equally applied to all men and women in the service.

Mr. CLEMENTS. Yes, sir.

Senator HUGHES. I think that is one of the real problems that we are facing right now and we worry about.

I would like to ask you a few questions. You heard my statement, I know, to Secretary Richardson, about the threat of the drug epidemic in Western Europe right now, concern for increasing alcoholism—and continuing alcoholism is a problem in the military services—and I would like to ask you of your view on alcoholism as such as a problem in the military and how it should be treated.

Mr. CLEMENTS. Senator Hughes, I can't really comment on the problem within the military because I am not familiar with it. It

was most interested in the exchange between you and Secretary Richardson on this matter.

Senator HUGHES. If I were to tell you that it is approximately the same in the military percentagewise as it is in the civilian sector or business.

Mr. CLEMENTS. Fine, that helps. I have a strong conviction about alcoholism that it is a disease, and it must be treated so, and within my mature business life I have had contacts with this problem, both within my own company and outside my company, and I have worked with an organization, and I am sure that you are familiar with it, Alcoholics Anonymous, in helping them to carry forward their program.

I want to quickly add that my relationships here have not been direct. They have been indirect, but I am completely in accord with the program. I have a high interest in this, and once more I am convinced that the attitude of a corporate body or any other organization with respect to alcoholism and the treatment of it must stem from the top. It does not start, for example, with some noncommissioned officers or men in the ranks. It has to start at the very top, with an attitude this is a disease and let's try to bring about some changes and some cures. So I think that I understand what your objectives are, and I am completely in accord with them.

Senator HUGHES. I find your viewpoints as expressed completely in line with the expressed policies of this administration which have been set out by former Attorney General John Mitchell and so ably expressed by Secretary Richardson as Secretary of HEW, but it has failed to be followed in sectors of the Military Establishment, and I trust that between the two of you men you will give this your concern and attention, as I am sure you will. You both expressed a very wholesome mental attitude toward it.

Mr. CLEMENTS. We will.

Senator HUGHES. The relationship of drugs and narcotics is a shared concern by all Americans. You heard me express my concern about the continuing use of SPN numbers that continue to stigmatize individuals after discharge for perhaps 10, 20, 30 years on into the future. Now there is controversy about it in the Pentagon. SPN numbers are used for a hundred different things, not just for this purpose. The ability to assign this stigma to someone who may have experimented with drugs when he was an 18-year-old kid in Vietnam for the rest of life is extremely important, and I hope you will also dedicate some of your concerns in that direction.

Mr. CLEMENTS. I certainly will.

Senator HUGHES. I believe primarily that the Pentagon—I want to give credit where it is due—in the last 2 years has made some extremely significant changes in these directions and I want to compliment you for it. We have not had a completely compatible viewpoint on a lot of things. Exchange of information between my committees and the Pentagon at times has been very difficult but they have assured me of cooperation, and I am sure under you men that that cooperation will continue, is that correct?

Mr. CLEMENTS. Yes, sir.

Senator HUGHES. The statement that I made to the Secretary, Mr. Clements, regarding my personal viewpoints on this war, and their

application to your nominations, I know you will understand will apply to you as well as to the Secretary. If there is any way that I can block your nomination for a period of time, I will. I don't mean in this committee, since I will vote it to the floor, because I believe the Senate has a right to work its will. But I will, in an effort to express my conscience, apply the same thing I said to Mr. Richardson to your nomination. I think it is necessary for me to tell you and the chairman of the committee that, in fairness to my own viewpoint, and to yours.

Mr. CLEMENTS. I understand.

Senator HUGHES. I also hope you will understand that I don't make this statement out of antagonism toward the military services, and I am not holding decisionmaking power for this war or the bombing as a decision that was made by a military officer. I am concerned about civilian control of the military.

You heard my questions the other day. The chairman and this committee have been equally concerned as a result of the Lavelle hearings. I don't want to be repetitious in asking you them here. You heard my questions again of Secretary Richardson the other day.

Do you view yourself as a segment of civilian control over the military and not a tool of the military?

Mr. CLEMENTS. I certainly do.

Senator HUGHES. What do you view your obligations to the American people to be as a part of that civilian control—not just to the President of the United States, but to the American people?

Mr. CLEMENTS. I don't really think it has any limitation, Senator Hughes. I am fully obligated to the American people, and I feel this very deeply, and when I can't live with it I have already made the statement I will just go back to Dallas.

Senator HUGHES. You men are the only hold that we in the Senate have, you know, to maintain the hope for the rest of America that civilians will control the military. Very serious questions were raised a year ago during that incident not only of civilian control of the military, in my opinion, but the military's control of the military itself. I am not at all satisfied with the apparent outcome and handling by the Pentagon of that particular question. You know my viewpoint on that and you know what I intend to continue to do as far as my power as a Senator is concerned in relationship to the officers who were involved in that situation in Southeast Asia during that period of time in the 7th Air Force.

I guess what I am seeking from you is assurance that you will try to set up a system, along with the Secretary, that will somehow not have the same men who are giving the directions to falsify records and do illegal bombing be the men that someone has to complain to about being given illegal orders.

Mr. CLEMENTS. You can be sure that this will be done. I sensed your unhappiness with the General Lavelle situation, and I think Secretary Richardson promised you that he would look into this, and I assure you that I will be a party to the looking into.

Senator HUGHES. I am even more concerned today than I was last week for the simple reason that not only did we receive the statements from the Chairman of the Joint Chiefs of Staff that he could not guarantee us this wouldn't happen again and from the Chief of Staff

of the Air Force that he couldn't guarantee it wouldn't happen again, but we had a statement, apparently by the Chairman of the Joint Chiefs of Staff that he was not consulted by the President before the bombing of North Vietnam began in December.

Mr. CLEMENTS. Senator Hughes, I can't comment about the first part of your statement but I can about the second, and I have talked to Admiral Moorer, and he was consulted, and this was done with his knowledge and the plan, as a matter of fact, was a plan that was put forward by him as a contingency plan, and he did understand the whole operation.

The CHAIRMAN. Excuse me, gentlemen. You are referring, Mr. Clements, to the December 18 bombing?

Mr. CLEMENTS. Yes, sir.

The CHAIRMAN. You say that Admiral Moorer helped make the plan?

Mr. CLEMENTS. Yes, sir.

The CHAIRMAN. I want to be sure I understood the question. Go ahead, Senator.

Senator HUGHES. I assume that you have Admiral Moorer's permission to make that statement to the committee today, is that correct, or has he made the statement public himself? If he has I have not seen it, Mr. Clements, and that is why I am asking the question. I don't want to create some more division of thought whether he did or didn't. If you are speaking for him, why—

Mr. CLEMENTS. I think he planned to appear before this committee and you will have an opportunity to discuss it with him.

Senator HUGHES. That is to be in closed session probably and this is an open session, is that it?

Mr. CLEMENTS. In my new capacity, and so forth, I may have, I may well have, said something I shouldn't have said but I doubt it. It was inferred in this committee that the President acted, you know, unilaterally in the sense that he made this decision without advice and counsel, and I am sure that Admiral Moorer did counsel with him.

Senator HUGHES. Mr. Chairman, I am not going to pursue that in depth because there is a possibility that I might get into an area that might be confidential so I won't pursue that further at this moment. I would like to but I will wait until Admiral Moorer is here before the committee.

Mr. CLEMENTS. All right.

The CHAIRMAN. It is a very important and interesting situation—I am not trying to stop you with your questioning Senator Hughes. I believe it was before you arrived, Senator Hughes, that I announced that we would hear Admiral Moorer Monday afternoon.

Senator HUGHES. Mr. Chairman, if anyone else wants to ask a couple of questions, I would like to take a couple of minutes to gather my thoughts, and they can go ahead.

The CHAIRMAN. Senator Thurmond, do you have any further questions?

Senator THURMOND. Mr. Chairman, I have no further questions.

The CHAIRMAN. Thank you. Senator Tower.

Senator TOWER. Mr. Chairman, I just want to clarify what a contingency plan is. We have in the military contingency plans for a number of military actions which we hope we will never have to take.

But if circumstances dictate that we must take we have to have the contingency plans to act on just like pre-targeting something in the event of a nuclear exchange, we do have contingency plans to respond. That is not to say we will respond, but we currently have those plans.

The CHAIRMAN. Do you want a minute or 2 more? I have an observation or two to make.

Senator HUGHES. Why don't you go ahead, Mr. Chairman. I am about through, but I think I am going to have about two questions and I would like to think about how to formulate them.

The CHAIRMAN. The Chair will make a statement now. The Senator from Iowa has said that he has only two or three more questions, so apparently we are concluding within a few minutes the testimony with reference to the nomination of Mr. Clements. Mr. Clements, I am favorably impressed with your judgment and clear thinking. You know how to state your position, and are always firm and definite. If you are confirmed I certainly wish you well.

I believe that we can finish this open hearing promptly. We will have a brief closed hearing immediately thereafter and get all the necessary proof that has been worked up with reference to the financial sheets and question of conflict of interest.

Members of the committee, Mr. Clements has filed a list of all of the companies in which he has stock and has given the nature of the interest, listed the subsidiaries, and in a letter to the committee dated January 8, 1973, he proposes to make certain dispositions of this stock with some special arrangements as to some of it.

The CHAIRMAN. I insert in the record Mr. Clements' letter of January 8, 1973 at this point.

(The information follows:)

SEDCO, Inc.,
January 8, 1973.

HON. JOHN C. STENNIS,
*Chairman, Committee on Armed Services,
Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This letter is submitted in connection with my nomination as Deputy Secretary of Defense which is now pending before your Committee on the question of advice and consent to the nomination in order to advise you of my financial interests as they relate to the position for which I have been nominated.

At the present time, I have a financial interest, as indicated, in the following companies:

Company and Nature of Interests:

1. Clemgil Realty, Inc.—President; Trustee for stockholders.
2. SEDCO, Inc.—Chairman of Board; stock; salary; participant in profit sharing plan.

Subsidiaries:

- (a) Baylor Company—Director; stock in parent corporation.
- (b) Southeastern Commonwealth Drilling, Ltd. (Canadian)—President; Director; stock in parent corporation.
- (c) Southeastern Oceanic Drilling Co.—President; stock in parent corporation.
- (d) Southeastern Drilling Services, Ltd. (UK)—Director; stock in parent corporation.
- (e) Southeastern Drilling, Inc.—President and Director; stock in parent corporation.
3. First National Bank of Dallas—Director; stock.
4. Fidelity Union Life Co.—Director; stock.
5. Keebler Company—Director; stock.
6. Various tracts of real estate—Ownership.

With reference to my financial interests in SEDCO, Inc., I propose, if confirmed, to take leave of absence from the firm and its subsidiaries. I will receive no salary or other compensation. While I will retain my vested interests in SEDCO's profit sharing plan, no contributions will be made to my interest in the profit sharing plan during my absence while serving in a government post. I would propose to retain my stock interest in SEDCO, Inc. Although one of SEDCO's subsidiaries has in the past done some small amounts of business with the Department of Defense, the Board of Directors of SEDCO, Inc., on 29 December 1972, adopted the following resolutions:

"Resolved.— That neither SEDCO, Inc., nor any of its divisions, subsidiaries or affiliates shall henceforth perform any work for the Department of Defense of the United States Government except work granted as a result of a public tender.

"Resolved.— That neither SEDCO, Inc., nor any of its divisions, subsidiaries, or affiliates shall henceforth submit bids (either by public tender or private offer) for work for the Department of Defense of the United States Government in view of its past experience in performing such work, the low profit margins involved and the drain upon its manpower and resources."

Of the remaining companies in which I currently own stock, there is one on the Statistical List of Prime Defense Contractors, which is Keebler Company. Should the Senate confirm my nomination, I will sell my stock in this company within ninety days of the time I take office.

In addition to my investments, I am Chairman of the Board of Governors of Southern Methodist University, which is also on the Statistical List of Prime Defense Contractors. If confirmed, I intend to resign this position.

I am also a member of the National Petroleum Council, and a Director of the International Association of Drilling Contractors and the Independent Petroleum Association, from which positions I will also resign should my nomination be confirmed.

I trust that these proposals comply with the Committee's rules and I sincerely hope your Committee will approve of this plan.

Sincerely,

WILLIAM P. CLEMENTS, Jr.

The CHAIRMAN. Senator Hughes, I recognize you now.

Senator HUGHES. Yes, Mr. Chairman. I want to be careful how I ask this, but I want to go back to the question of nuclear weapons, Mr. Clements. Do you make a distinction between the use of conventional weapons and the use of tactical nuclear weapons?

Mr. CLEMENTS. Do I make a distinction?

Senator HUGHES. A distinction between these weapons, the significance of crossing this line from so-called conventional warfare, the use of nonnuclear weapons versus the use of tactical-limited nuclear weapons. Is there a distinction, a line we should not cross?

Mr. CLEMENTS. Senator Hughes, this is a very sensitive area, and there are several theories that have been advanced in regard to the use of tactical nuclear weapons, and one of those theories is that there is in fact no such thing. That it is hard to extrapolate a situation in which tactical nuclear weapons are used that will not in the end result in the larger weapon use. I am not sure how I feel about this because my endeavors to date have not been such that I am really prepared to answer that question. I would like to defer that and discuss it with you at a later date.

Senator HUGHES. Mr. Clements, I think it is exceedingly important to the Members of the Senate, and to the people of America, on how you view this point of tactical nuclear weapon usage, whether we are going to have a man in this capacity who believes there is no differentiation or no line that can be drawn between conventional weapons of warfare and so-called limited tactical nuclear warheads or—

Senator TOWER. Would the Senator yield?

Senator HUGHES. Yes, I will yield.

Senator TOWER. Mr. Chairman, if we are going to get into the area I think I would have to insist we go into executive session.

Senator HUGHES. It is a philosophical question, I say to the distinguished Senator from Texas, that certainly is going to enter into the discussion on the floor of the Senate and maybe that will have to be a closed session in light of the previous answers given, I don't know. But I think the people of America are entitled to know philosophically whether the Deputy Secretary of Defense believes there is a differentiation or there isn't, whether he would support the use or whether he wouldn't.

Now if the Senator from Iowa is wrong and if this is classified so far as a philosophical question is concerned, I am not trying to talk about the power of the weapons or would we use them or not. I am trying to find out whether Mr. Clements feels there is a difference and, if so, what is it, and what is his personal viewpoint on it.

Mr. CLEMENTS. Then I did not understand the question. Certainly there is a difference. There is a vast difference, and that is exactly why I am so reluctant to get involved. This is a very sensitive area, and it is so sensitive and there is such a vast difference, that whether we should or should not use is what I thought you were asking, that I don't want to get into that at this particular point in my knowledge of the situation. I am just not that familiar with it. But to recognize the difference, I can assure you that I recognize the difference. There is an awful difference.

Senator HUGHES. And recognizing that difference what you are saying to me is you are not prepared to at this time to say we should not take this step.

Mr. CLEMENTS. It would depend entirely on what circumstances and the time frame and where and when and who and so forth and so on. I can answer that. I don't think that it would be appropriate for me to answer that.

Senator HUGHES. Mr. Chairman, do you think it would be appropriate for an answer or not; I will rely on your judgment.

The CHAIRMAN. My impression, Senator, is that he has answered it much the same as I would. What are the conditions. He can answer as well in open session as he could in closed, as I see it.

Senator HUGHES. I will set the time and the place and the conditions if he wants me to. Paris, January 1973, negotiations for a peace treaty and no agreement reached, and we return to a state of warfare. Is this a line that you would be willing to cross?

Mr. CLEMENTS. You mean in Vietnam?

Senator HUGHES. In Vietnam.

Mr. CLEMENTS. As I understand the situation today, with my limited knowledge, and I want to emphasize that, the answer would be no.

Senator HUGHES. All right. I would like to ask you another philosophical question: Would you rule out the first use of nuclear weapons under any circumstances?

Mr. CLEMENTS. I have read many treaties on this particular subject and again I beg out on this one.

Senator HUGHES. You are not prepared to state a philosophical point of view at this moment.

Mr. CLEMENTS. Only that it is a very complicated issue and I am not prepared to give a philosophical view on it.

Senator HUGHES. Well, that leads to another question then: Do you believe that the United States should seek to build weapons that have first strike capability?

Mr. CLEMENTS. No, sir, I do not, and I know that the United States, as a matter of stated policy over many years, has stated that they have no intention of a first strike situation.

Senator HUGHES. And you support that.

Mr. CLEMENTS. I support that.

Senator TOWER. Would the Senator yield again? Let me hasten to say that a shotgun has a first strike capability; any weapon that you build that has an intercontinental or strategic capability can be used in a first strike configuration. I think the question is should we go into a first strike configuration and I think all of us will answer that in the negative, no.

Senator HUGHES. Agreed. A great Republican once said, namely Abraham Lincoln, if you call a dog's tail his leg and say he has five legs, it doesn't change the fact that he has a tail.

You answered the question so far as I am concerned. We will engage in the Senate in a debate on the differences.

Mr. CLEMENTS. I am absolutely opposed to the first strike capability or that posture.

Senator HUGHES. Mr. Chairman, I believe I have sufficiently followed through the line of questioning that I was trying to phrase here. I haven't done much in the way of the state of the art in putting the questions to you and I apologize because I didn't have time to write them out and prepare them.

The CHAIRMAN. I think you asked a lot of good questions.

Senator HUGHES. Mr. Chairman, I yield.

The CHAIRMAN. Thank you very much, Senator.

Mr. Clements, do you have anything you want to say in open session?

Mr. CLEMENTS. No, sir.

The CHAIRMAN. Thank you very much, ladies and gentlemen, for your attendance here. For the information of those who are interested the committee will meet tomorrow morning at 10 o'clock in room 212, our regular committee room, to hear Mr. Schlesinger and to take up the financial matters, if any, that are left over from Mr. Clements' matter. We will also take up the financial matters with reference to Mr. Richardson. We hope we will get through with all these matters tomorrow. I know every member, who possibly can, will attend.

We will have a short break here and then go into closed session.

(Whereupon, at 5:40 p.m., the committee went into executive session.)

**NOMINATION OF ELLIOT L. RICHARDSON TO BE
SECRETARY OF DEFENSE**

**NOMINATION OF WILLIAM P. CLEMENTS, JR., TO BE
DEPUTY SECRETARY OF DEFENSE**

MONDAY, JANUARY 15, 1973

**U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
*Washington, D.C.***

The committee met, pursuant to call, at 2:10 p.m., in room 212, Richard B. Russell Senate Office Building, Hon. John C. Stennis, chairman.

Present: Senators Stennis (presiding), Symington, Byrd, of Virginia, Hughes, Nunn, Thurmond, Goldwater, and Scott of Virginia.

Also present: T. Edward Braswell, Jr., chief counsel and staff director; John T. Ticer, chief clerk; R. James Woolsey, general counsel; Labre R. Garcia, John A. Goldsmith, professional staff members; Nancy J. Bearg, research assistant; and Edward B. Kenney, professional staff member, Preparedness Investigating Subcommittee.

STATEMENT OF ELLIOT L. RICHARDSON, NOMINEE, TO BE SECRETARY OF DEFENSE; ACCOMPANIED BY WILLIAM P. CLEMENTS, JR., NOMINEE, TO BE DEPUTY SECRETARY OF DEFENSE

The CHAIRMAN. Concerning this provision that a prerequisite to conformation will be the commitment of Presidential appointees to appear and testify before duly constituted committees of the Senate in response to summons, what is your response to that qualification?

Secretary RICHARDSON. Mr. Chairman, as I stated to this committee last week, I look forward to full cooperation with the Congress, and that includes being available to testify before the committees of the Senate, subject, of course, to the cooperation of the committees in scheduling, which has prevailed in the past, and I will be available to appear and testify when so requested by the committees of the Congress.

The CHAIRMAN. As I understand then, in your official capacity and also including your personal willingness, you will be ready to appear and testify.

Secretary RICHARDSON. Yes, I will.

The CHAIRMAN. Before duly constituted committees of the Congress.

Secretary RICHARDSON. I will.

I might add that in the past 4 years, first as Under Secretary of State and more recently as a Cabinet officer heading the Department of Health, Education, and Welfare, I have always appeared before committees when requested to do so. Sometimes there have been problems of scheduling the appearances but we always have been able to work those out.

The CHAIRMAN. So that involves a matter only of reasonable notice, and reasonable time to prepare.

Secretary RICHARDSON. Yes.

The CHAIRMAN. This resolution says "committees," plural, which carries it beyond this committee—which will be the so-called parent committee for you and your activities in the Department of Defense. So you are not limiting it to this committee.

Secretary RICHARDSON. No.

The CHAIRMAN. But all duly constituted Senate committees.

Secretary RICHARDSON. That is correct, Mr. Chairman. My initial statement in response to your opening question did, I believe, use the word "committees" in the plural.

The CHAIRMAN. That is the way I understood it; I just wanted to be certain.

Without objection we will just turn to Mr. Clements for the same question and then have further questions by other Senators.

Mr. Clements, let the record show that you have heard and read recently at this table this resolution passed by the caucus.

Mr. CLEMENTS. Yes, sir.

The CHAIRMAN. And that included a reading of these three paragraphs about the Presidential appointees. What is your attitude and what is your willingness, or the lack of it, on reasonable notice to come before duly constituted committees of the Senate not only to appear but to testify when called upon?

Mr. CLEMENTS. Mr. Chairman, as I stated last week, I am fully in accord with the full cooperation and communications with this committee as well as other committees of the Congress, and this, of course, is subject to the condition of scheduling as Secretary Richardson stated. But I will be available to appear and testify when requested by the committees of the Senate.

The CHAIRMAN. That is very fine.

Now, gentlemen, I will turn to the others here for any additional questions. Senator Thurmond.

Senator THURMOND. Mr. Chairman, thank you, no questions.

The CHAIRMAN. Senator Symington.

Senator SYMINGTON. Thank you very much.

The CHAIRMAN. I am glad you got here. I sent for you to let you know we were going into this first.

Senator SYMINGTON. Mr. Secretary, I have some additional questions which I would like answered for the record before it gets to the Senate floor and before I vote I would like to have an answer to those questions if I may prior to the confirmation. I am sure that would be satisfactory to you.

Secretary RICHARDSON. Yes; certainly.

Senator SYMINGTON. And, Mr. Secretary Clements, I was very, I was interested in the questions that were asked you about nuclear

weapons. For my edification, very briefly, would you restate your position on that matter?

Mr. CLEMENTS. Senator, the questions and the answers are somewhat confusing, I think last week, and the best answer I think that I can give is the answer that I have now given through the press which is that I concur with President Nixon's statements of, I believe it was, about 2 years ago and which was subsequently restated by Secretary Rogers, which was to the effect that it was the policy of the Government not to use nuclear weapons in Vietnam.

Senator SYMINGTON. I appreciate your answer, and I have no further questions, Mr. Chairman.

The CHAIRMAN. Thank you, Senator.

Senator GOLDWATER. There is only one question: I think it is directed more to the democratic side of the committee for explanation relative to the resolution. You have the word "reasonable" in there.

The CHAIRMAN. Excuse me, Senator, that has been stricken. There was debate over that, and it was assumed that all requests of Senate committees would be reasonable, and the issue shouldn't be raised by that word being in there. I was reading from the old text; I am sorry.

Senator GOLDWATER. That is a sneaky word.

The CHAIRMAN. Yes; it was decided that it would be better to leave it out. I voted to take it out.

Senator GOLDWATER. One other point, this is a technical point and does not apply to these men: Suppose the President on learning of a request for them to appear on a subject, makes a determination to invoke executive privilege in relation to these two men or any other people in the same capacity, what would be the attitude of the Democrats who voted for this resolution if that were the case, which the President has the right to do.

The CHAIRMAN. I beg your pardon, Senator, I was trying to get to the line on something Senator Symington asked this morning.

Senator GOLDWATER. I am asking you what would the attitude of the Democrats be if the President decided to invoke executive privilege over any chairman appearing before the committee. The witnesses have stated here that they are willing to come at any time. What happens when the President says "No, no, Mr. Secretary, you can't go on that subject. I refuse to allow you to." What would the attitude be then?

The CHAIRMAN. Senator, I will just give you my response, the way I see it. I think these gentlemen are here testifying now for themselves and their attitude and their willingness and they have answered those questions. They cannot speak for the President of the United States—the present President or a future President—and I would think that would have to be a matter that they, the President, and the Senate would have to decide when it came up. That is the way I see it.

Senator GOLDWATER. I ask that because I can't recall in my service on this committee or any other committee, and I will admit this is the only sensitive committee that I belong to, of the executive privilege ever having been invoked. In other words, I can't recall a single instance where a Secretary of Defense or any Under Secretary said, "I can't come over and testify." I think the questions probably are directed more from the foreign policy committee where there have been refusals, as I understand it by the invoking of the executive privilege.

Senator THURMOND. Would the Senator yield?

Senator GOLDWATER. Yes, sir.

Senator THURMOND. I would like for the record to show that in 1961 and 1962 when I spearheaded an investigation in the military, I regret I don't remember whether it was in the fall of 1961 or spring of 1962 that President Kennedy did invoke executive privilege and refused to allow the Secretary of State to come over and testify, and also refused to allow the Secretary of Defense to testify and they wrote letters from President Kennedy and read them to the committee and at that time executive privilege was invoked and that was under a Democratic Administration.

The CHAIRMAN. Gentlemen of the committee, let me call on every one now so they can say what they think they should. But this matter of executive privilege is really one that can be debated for days, so let's not get too far into it now. I am trying to prepare a memorandum on it now.

Senator SYMINGTON. Will the Chair yield to me for a moment?

The CHAIRMAN. I was going to call on you right now.

Senator SYMINGTON. In reply to my friend, the able Senator from Arizona, who mentioned the Senate Foreign Relations Committee and the fact the Secretary of State was asked to come before the committee and refused, speaking for myself, if he continued to refuse to appear. I would recommend at the next hearing of the committee that a subpoena be issued, and that if the subpoena was not honored, he be held in contempt of the Senate.

The CHAIRMAN. All right. That is a procedure that will raise the issue.

Senator BYRD.

Senator BYRD. Thank you, Mr. Chairman.

As one who is not completely in accord with all of Mr. Richardson's views, I want to say this in his behalf: As the only member of this committee who is also a member of the Finance Committee before which Mr. Richardson would appear as Secretary of Health, Education and Welfare, so far as I know Mr. Richardson complied fully with every request made by the committee to appear before that committee.

The CHAIRMAN. Thank you, Senator.

Senator BYRD. I wanted the record to show that.

Secretary RICHARDSON. Thank you very much, Senator.

The CHAIRMAN. Senator Scott, I already have said a word about your being on this committee. I repeat it now in the presence of the press and other members. We are glad to have you here, sir, and glad to call on you on this matter.

Senator THURMOND. Mr. Chairman, I would like to join in welcoming Senator Scott of Virginia on this committee and I feel like he will make a very valuable member.

Senator SCOTT. Thank you, Mr. Chairman. I appreciate that from both of the Senators. It is a pleasure to be here. My only question to both of the witnesses is having come recently from the House of Representatives, suppose this resolution that was read was amended to include all congressional committees from both Houses, would your answers be the same?

Secretary RICHARDSON. I would give the same answers, Senator Scott. I recognize the House as a duly constituted body of the Congress of the United States.

The CHAIRMAN. What do you answer, Mr. Clements?

Mr. CLEMENTS. That would also be my answer.

The CHAIRMAN. Thank you, Senator, very much.

Senator HUGHES.

Senator HUGHES. Thank you very much, Mr. Chairman.

For the information of Senator Scott, that was brought up in a discussion in the Democratic caucus but it was not deemed that the Democratic caucus had any jurisdiction over the House, in the Senate, that is, so they decided to leave it alone.

I would like to ask you, Mr. Chairman, if your questions also apply to subcommittees of this committee.

The CHAIRMAN. I thought about that, Senator. The resolution says, committees, and to interpret that I would think that would mean the full committee. If the full committee wants to invest one of its subcommittees with authority to speak for the full committee on these matters—or other matters—that would be a question of whether it extended to their subcommittees—perhaps it could; but the resolution reads committees. That would not include a subcommittee. It contemplates the committee.

Senator HUGHES. Then, Mr. Chairman, as a matter of procedure, if you have delegated responsibility, let's say to Senator Byrd's subcommittee to hold hearings on a matter and he calls the Secretary of Defense to testify in relationship to that matter and he refuses to appear before the subcommittee, then can any member appeal that to the committee, Mr. Chairman?

The CHAIRMAN. Yes, I think so. I think it becomes a committee matter if that subcommittee wants the full committee to pass on and exercise their authority.

Authority is not the right word—strike it out, because this is a caucus rule that we are talking about now. It is not a committee rule and it is not a rule of the Senate. I want us to comply with it.

Senator HUGHES. I don't doubt that the Secretary and Deputy Secretary will be glad to comply with subcommittees as well in matters of interest to the Congress and to the country, but my question was just a procedural question. I didn't want to leave it unasked.

The CHAIRMAN. Yes, that is all right.

Senator HUGHES. I might directly ask both of you gentlemen if you will, to the best of your ability and in scheduling time on important matters where a subcommittee chairman deems it necessary, personally come rather than send subordinates to testify on questions to be asked, if you will make every endeavor to do it.

Secretary RICHARDSON. I certainly would, Senator Hughes. The manner in which you put the question, I think very fairly covers any of the kinds of questions that might arise. I can foresee, for example, a situation where there might be some discussion of the question whether the Secretary or the Deputy Secretary should appear or some other witness, but if the conclusion of that discussion was that notwithstanding any considerations that might have been advanced to justify the substitution of another witness the subcommittee still wanted to hear me or the Deputy Secretary I would expect we would come.

Senator HUGHES. Mr. Secretary, I asked the question directly because, as you know, in HEW many times we directed a request to

you, which you were unable to meet, and you sent a subordinate to give testimony before subcommittees of the Labor and Public Welfare Committee. As far as I know, in 90 percent of the instances that was satisfactory. In the instance of my own subcommittee it was, and we never appealed the question to you to appear personally. And that is why I worded the question carefully.

Secretary RICHARDSON. Yes, you did word it very carefully and very fairly, and on that understanding my answer, the answer is yes, I would, I would come.

Senator HUGHES. Mr. Clements, the same.

Mr. CLEMENTS. Yes, sir.

Senator GOLDWATER. Will the Senator yield at that point? I think the Senator has raised a very valid point because I can't find in the rules of the Senate any mention of subcommittees, and I understand that they are a creature of the committees. While the Republican has no business sticking his nose in the problems of the Democratic Party I would suggest that you might take that resolution back for rewording to include the word "subcommittee."

The CHAIRMAN. I think, Senator, that would become a matter of concern in this way: There are dozens and dozens of subcommittees, and Cabinet officials have spent too much of their time up here now I think, but that is beside the point. These two have answered they would be willing to come, so I think that closes the door on the matter.

Senator HUGHES. Mr. Chairman, my questions were satisfactorily answered, and I want to point out for the record they were satisfactorily answered by the Chair in case a subcommittee makes a request, and if they feel it was not responded to, we can appeal that to the committee. And so far as internal procedures that satisfies this Senator.

The CHAIRMAN. Senator Nunn.

Senator NUNN. No questions, Mr. Chairman.

The CHAIRMAN. All right, gentlemen, that covers those two matters if there are no other questions. Thank you very much.

We have already had before us the matters concerning your financial affairs, Mr. Clements.

Mr. CLEMENTS. Yes, sir.

The CHAIRMAN. We have covered that.

Mr. CLEMENTS. Fine.

The CHAIRMAN. There hasn't been a chance to cover Mr. Richardson, and we do have all the material here, though, for examination of the committee. It has been the unbroken custom over the years not to go into these matters which are so personal in open hearings, unless there arises an issue about some of it within the committee. If it cannot be resolved within the committee to our satisfaction then we would have to have an open hearing. I think that would be better in this case in all fairness to everyone. There is nothing being concealed, but there are some things that are very intimately personal.

Senator HUGHES. Mr. Chairman.

The CHAIRMAN. Yes, Senator Hughes.

Senator HUGHES. Could I ask a question then of Secretary Richardson not related to what is contained in the report, but of his personal policy in relationship to his report?

The CHAIRMAN. His report about his finances?

Senator HUGHES. Yes. No questions about his finances just his own personal policy in relating to it.

The CHAIRMAN. All right, let's see how that would go.

Senator HUGHES. Mr. Secretary, is it your intention or have you revealed publicly your personal financial interests?

Secretary RICHARDSON. I have revealed my financial interests to the committee, Senator Hughes. I have never disclosed my financial situation publicly or any other manner since I went to the Department of State; in the beginning of 1969 I have not personally had any information about my investments.

Is that responsive?

Senator HUGHES. Yes, that is responsive to the question. Does the same apply to you, Mr. Clements?

Mr. CLEMENTS. I think all my information is entirely public.

Senator HUGHES. It has already been made public?

Mr. CLEMENTS. I think it has been. You see, I am within a public corporation and I—

The CHAIRMAN. Excuse me, Mr. Clements, we have not yet released the information publicly.

Mr. CLEMENTS. I see.

The CHAIRMAN. We customarily release these things as I have already outlined.

Senator HUGHES. That answers my question, Mr. Chairman. As a matter of information then, can I be informed by the staff director as to committee policy, is this a matter of policy or committee rules for a closed session?

Mr. BRASWELL. Generally they discuss it in closed session, Senator Hughes, and subsequently it is put in the record for printing as a public document, the pertinent portions which reveal—

Senator HUGHES. Can you, as staff director, advise the Senator from Iowa as to why it all isn't pertinent to the public information, the private holdings of these men or any other Secretary?

The CHAIRMAN. I will answer that question. It is a matter of giving and taking, and sometimes the necessity to have a certain kind of private protection afforded a person would override to a degree the ordinary rule that everything has to be published. So it is a question of the judgment in balancing out those situations that this committee has always undertaken to do, and has, I think, done a good job of it. I believe the situation was so unusual with reference to Mr. Packard that we took that in open hearing, did we not?

Mr. BRASWELL. Yes, sir.

The CHAIRMAN. You see, that was a very special situation.

If we had the time here this afternoon, I think we could go into all of this, and then you could better determine whether or not you wanted to have an open hearing on it, Senator.

Senator HUGHES. Mr. Chairman, I do appreciate the counsel of the Chair, and I am not concerned personally about Mr. Richardson's holdings, and I don't know anything about them. But I do believe I know the man, after his service and testimony before other committees I served on, and that is not the point that I am making. The point that I am making is that public business is public business and that it ought to be conducted in public insofar as is possible, and if that is possible today I would like to see it conducted in public. I can see no reason not to have a report in public, Mr. Chairman.

The CHAIRMAN. I am not asking you to waive anything, Senator. I think, though, that before we just bring it out in open we owe it to everyone to have a conference around this table to see if it satisfies us without bringing it into the open. That is all I am suggesting now. You don't waive anything.

Senator HUGHES. Mr. Chairman—

The CHAIRMAN. We can do that this afternoon. Did I make that clear?

Senator HUGHES. Yes, I understand. I regret very much that I am placed in a position where I disagree with the Chair but I will have to formally disagree with the Chair. I cannot conceive of a position as sensitive as the Secretary of Defense and the relationship of the financial structure of our country as not being public information. Therefore, if it is within the rules and structure of the committee I must request the committee to remain open for this information and, Mr. Chairman, it is reluctantly that I do it because I value highly your counsel and advice, and I know you mean for it to be public information.

The CHAIRMAN. Well, that is all right, Senator. I think we understand each other fully. I think we ought to consider it around the table first, and if we don't resolve it then we can take it up in public hearing. By resolving it, I mean reasonably satisfying every member.

Senator SYMINGTON. Mr. Chairman, would Secretary Richardson or Secretary Clements have any objection to their holdings being made public?

The CHAIRMAN. I don't know. I have never talked to either one about it, Senator.

Senator SYMINGTON. May I ask them that?

Secretary RICHARDSON. Mr. Chairman—

The CHAIRMAN. Senator, if I may intervene, I have given them to understand—we have not discussed any of the details of what the holding was—I have told them to turn in the list of everything, to deal with Mr. Braswell directly or through their agent and it was the custom of the committee to go over the matters without just making everything of their personal business public, and I feel to that extent that the committee ought to sit around the table and look into it, and if everyone is not satisfied then we will just have to take it up in open session. So, let's do it that way.

Senator SYMINGTON. You would prefer not to have him answer that question?

The CHAIRMAN. Right now, yes.

Senator SYMINGTON. Very well.

Senator HUGHES. Mr. Chairman, if we go into this privately I will have to leave the meeting. I can see no reason for its being public business unless the chair can show me where, in the rules and procedures of this committee that it cannot be in open session.

The CHAIRMAN. There is no rule of the committee, Senator. I have heard a great many of these cases from Mr. Wilson on—he was then president of General Motors—and I have had a growing realization that if we are going to attract men of attainment and competence, and ability to cope with these ever mounting problems, we will have to continue to have some who have been successful in a material way. And I think we ought to make every effort to protect the Government

as to conflict of interest, at the same time some effort to respect the privacy of the individual.

If you don't do that I think you are going to greatly lessen over the years the number of talented people who are willing to come here and serve in these very onerous capacities that take this ability. That is just speaking for myself.

Senator HUGHES. Mr. Chairman, if I may respond, I respect the chairman's view, and his arguments are valid on behalf of the individuals here being appointed to these positions. But I point out what the chairman is already aware of, that the same argument applies to the American people. If we are going to retain the confidence, the acceptance of the American public, of a democratic system of government, every business that can be conducted in the open must be conducted in the open and for that reason I reassert my position because I feel that reason is more overriding than the privacy of the individuals being appointed.

The CHAIRMAN. All right, thank you very much, Senator. I feel that we ought to look at this thing on the table and then we can decide, Senator, and you stay by all means.

Senator HUGHES. Mr. Chairman, I will not stay in a closed meeting as long as the rules don't provide for a closed meeting. I will only stay if the hearing is open.

The CHAIRMAN. You will have to determine your own course, and the committee can determine its course.

There are no other questions, I understand, with reference to these gentlemen and their willingness to appear as witnesses.

I was trying to arrange a time last week when we could hear Admiral Moorer, but we had all of these hearings, the caucuses and other things, and had to keep deferring it from Friday of the week before last on until today. Now, does anyone want him to testify on the bombing in Vietnam?

Senator GOLDWATER. What was that question?

Senator SYMINGTON. I don't understand the question.

The CHAIRMAN. I was going to ask if anybody objects to starting out in a closed session with that.

Senator HUGHES. Mr. Chairman, I have no objection to it because I have no basis of knowledge of what may be classified or what may be unclassified in relationship to that.

The CHAIRMAN. I am going to ask Mr. Richardson if he will excuse himself now and we will go on with Admiral Moorer. The notices went out that he would testify and we will proceed if there is no objection to that being a closed hearing. All right, I thank you, Mr. Richardson, and members of the press, too.

Secretary RICHARDSON. Thank you, Mr. Chairman and members of the committee.

The CHAIRMAN. You be on a standby basis, will you, so we can get back to this financing matter. We are through with you at this time.

Secretary RICHARDSON. I will be available at any time.

(Questions submitted by Senator Symington for answering by Secretary Richardson, and inclusion in the record:)

QUESTIONS OF MR. RICHARDSON BY SENATOR SYMINGTON, SUBMITTED FOR THE RECORD

Question. In an answer to Senator Thurmond (p. 27 of the January 9 transcript) you agreed that in supporting a "clear sufficiency" of U.S. military strength, you meant superiority over the Soviet Union.

What does superiority mean in the field of strategic nuclear weapons?

Answer. The term superiority as applied to the field of strategic nuclear weapons is currently most frequently used to describe that period in which the United States enjoyed a marked advantage in numbers of nuclear weapons deliverable to a potential enemy's territory. In responding to Senator Thurmond's question as to the equivalence of the term "clear sufficiency" with the term "superiority" I stated, "I think this is essentially correct, Senator Thurmond, taking into account our capabilities as a whole, including our technological capability, and keeping in view the objective of deterring aggression." As I use the term "clear sufficiency" of U.S. military strength, I intend the term to mean a strategic weapons capability unambiguously capable of deterring any other Nation from resorting to the use or threat of use of strategic nuclear weapons for the settlement of international differences, since the level of a clearly sufficient United States military posture would make such an alternative by another Nation unacceptably unattractive.

Question. Would not any effort to achieve superiority mean an effort to gain a first-strike capability?

Answer. No. Neither this Administration, nor to the best of my knowledge, any other administration has followed a policy of attempting to attain a first-strike capability.

Question. How do you square this with your statement (p. 107) that the United States should not take steps that are subject to a primary interpretation that they are intended as a move toward the development of a first-strike capability.

Answer. There is no inconsistency whatsoever.

Question. Doesn't an effort to achieve superiority necessarily mean an intensification of the nuclear arms race?

Answer. No. I believe that we have maintained a clear sufficiency in the strategic weapons field throughout the past four years, during which period the President has been able to obtain the ABM treaty and the interim agreement on offensive weapons. Certainly neither of these agreements could be characterized as an intensification of the nuclear arms race.

Question. You have stated your view that Vietnamization is a success and that the South Vietnamese can defend themselves. At the same time, you indicated that successful Vietnamization permitting the disengagement of United States forces and even with the return of American prisoners of war would not be a satisfactory solution.

Do you support renewed bombing of North Vietnam to achieve some objectives beyond these?

Answer. I do support Presidential objectives beyond the successful disengagement of U.S. forces and the return of our prisoners of war. Some of the additional objectives I support are to obtain an accounting of Americans missing-in-action, and an end to the conflict in Southeast Asia. I also support the objective that the people of South Vietnam be given a reasonable opportunity to determine their own political destiny without attempts from outside South Vietnam to impose by military aggression a political system upon them. I am very hopeful that the current negotiations will further these objectives. I am not prepared to hypothesize as to what military contingencies I would be prepared to support in order to accomplish such objectives since it is not clear to me at this time that our objective of the return of our American prisoners of war could be clearly distinguished and secured in the absence of some progress also toward the additional objectives which I have mentioned.

Question. What further additional objectives should we seek by bombing the populated areas of North Vietnam?

Answer. It is my understanding that the United States has targeted only military targets in North Vietnam and has not targeted civilian populations. I do not believe that any objectives of the United States will be furthered by targeting civilian populations, and I know of no one who has advocated or suggested such a course. As you know, the President has ordered the cessation of all bombing, shelling and mining of North Vietnam, and I support that Presidential action.

Question. Are these objectives sufficiently important to warrant the alienation of our allies such as Canada, Australia and West Germany?

Answer. I do not believe that the actions taken by the United States have alienated our allies. Further, I am certain that such disagreements with and misunderstandings of our actions in Vietnam as may have arisen can be at least mitigated and hopefully entirely overcome when the circumstances related to the negotiations which make it imprudent now to discuss fully our activities in detail no longer pertain, and when an official account of what has actually transpired in the negotiations can be presented to our allies.

Question. Is our interest in the stability of Southeast Asia so great that the United States should be willing to remain indefinitely in a state of war?

Answer. It has been the President's constant goal to terminate U.S. involvement in the war and to end the war itself. The President's proposal of May 8, 1972, delineates clearly and succinctly the minimum objectives of the United States for ending the armed conflict in Southeast Asia. The President's statement, in connection with the announcement of May 8, 1972, proposals, well expresses the extent of the interest of the United States in the stability of Southeast Asia, and I do not believe it is either necessary or desirable to expand upon the President's quite comprehensive explanation.

Question. You expressed the belief that a genuine interest of the United States is at stake in Southeast Asia.

What is that interest?

Answer. The United States does have a genuine interest in the method of resolution of international disputes by means that avoid armed aggression in any part of the world. The United States has numerous international commitments, and the manner of fulfillment of these commitments can affect the credibility of our mutual security agreements. In the case of the conflict in Southeast Asia, the commitment of the United States under President Nixon's policy is being fulfilled, first, through the policy of Vietnamization which makes unnecessary the use of U.S. ground forces and, second, through the President's proposals of May 8, 1972, for the termination of the Southeast Asian conflict. World stability and order are clearly in the interest of the United States.

Question. Does it involve in any way the containment of China?

Answer. No.

Question. Does it relate to the retention of American bases?

Answer. No.

Question. If a cease fire is achieved and American prisoners of war are returned, would that interest require the resumption of U.S. air warfare if North Vietnam and the Viet Cong violate the cease fire?

Answer. It would not be appropriate for me to presume a violation of a cease fire agreement that has not even yet been consummated, nor would it be appropriate for me to speculate on actions, military or otherwise, which might be considered should other prospective signatories to an agreement not yet consummated be violated to some unspecified extent and at some undetermined future time.

4. You have indicated your support for the President's unilateral actions in invading Cambodia, mining Haiphong and using carpet bombing by B-52s as a negotiating instrument.

What, in your opinion, are the limits on the President's exclusive authority to make war?

Answer: First, I would like to note that under the Constitution, the President's decisions as Commander-in-Chief are required to be unilateral for only he is designated as Commander-in-Chief. Those decisions on military operations made by President Nixon were made as Commander-in-Chief in the context of a state of hostilities that began before he became President. The President was not an initiator of a new conflict. Secondly, I do not believe I have ever suggested or concurred that the President was in your words "using carpet bombing by B-52s as a negotiating instrument". As I have stated previously, the United States has targeted only military targets.

When the President finds the country engaged in armed hostilities by whatever means those hostilities arose, he has the responsibility as Commander-in-

Chief to direct the military operations of the Armed Forces of the United States in that conflict.

Question. Do these limits go beyond the subjective elements of his self-restraint and the dictates of his conscience?

Answer: The limits on a President of the United States are many and varied, ranging across the spectrum of checks and balances flowing from the provisions of our Constitution. Indeed, the restraints range from the requirement for Congressional appropriations to the requirement for confirmation of every Presidential Appointee in the Government, including commissioned officers in the Armed Services. In addition to the checks and balances in the Constitution, there are a wide number and variety of constraining factors which must be considered, including, but not limited to, the overall foreign policy objectives as well as the economic and political well-being of the Nation. Indeed, in no other form of Government are the actions of the Chief Executive and Commander-in-Chief so safeguarded as in our Constitutional Republic.

Question. Why cannot Congress at least be consulted before arbitrary Presidential military action occurs?

Answer: Again, I question whether the term "arbitrary" can appropriately be applied to decisions on military operations made by the President as Commander-in-Chief. By the Constitution, the President is Commander-in-Chief, and I certainly concur with the conclusion of the framers of the Constitution, that the national security of the Nation requires that the Chief Executive be vested with sole power as Commander-in-Chief. Accordingly, I do not believe that it is appropriate to characterize the President's execution of his Commander-in-Chief responsibilities as "arbitrary."

Both the time constraints related to military operations and the sensitivity of the interrelationship between military actions and negotiations for peace can, and on occasions do, militate against prior consultations with the Congress to the degree which some might believe desirable and which under other circumstances might be possible and appropriate.

Question. Do you really regard Congressional participation in seeking to control military action by the United States as "an extraneous factor"? (p. 73)

Answer: I think what is involved is the concern on the part of the President and those who are charged by him with the responsibility for the negotiating process that Congressional action cutting off funds under any specified conditions could be interpreted, in effect, as undercutting the negotiating position of the United States and inducing the other side to hold out for terms that they might not otherwise seek. What we are dealing with is essentially a process that by its very nature requires a direct day-to-day confrontation of negotiators representing each side. Actions by the Congress under such circumstances dealing with the support of military action by the United States which is interrelated and intertwined with these day-to-day negotiations could be counterproductive to the accomplishment of our objective of a cease fire in Southeast Asia.

Question. You have stated that the United States should make no reductions in our military forces in NATO because of the pendency of negotiations on mutually imbalanced force reductions. These negotiations have been described as possibly the most complex in the entire area of arms control.

Does this mean that throughout the years of the MBFR talks we should continue to maintain some 300,000 American military personnel in Europe?

Answer. While I am hopeful that the mutual and balanced force reduction negotiations could result in meaningful agreement in less than a period of years, it must surely be apparent that unilateral reductions in our military capability in Europe, while such negotiations are in progress, would be force reductions which are neither mutual nor balanced and could, in my opinion, jeopardize not only the potential for success in the MBFR talks but also jeopardize the continued viability of NATO's effective deterrent and the security of both Europe and the United States. As you know, NATO has deterred war in Europe for a quarter century.

Question. If this is the result, can we afford such arms control negotiations?

Answer. Not only can we afford arms control negotiations, but I am convinced that the maintenance of an effective force in Europe by the United States is a sound investment and one which we can ill afford not to afford.

Question. Why would not a smaller, leaner and more combat-ready force give us at least equal bargaining strength?

Answer. Substantial progress has already been made in the last four years in stripping the fat from our military forces in NATO and in improving their combat readiness. This effort to improve the efficiency of our forces and to enhance their combat readiness should, of course, continue; and I anticipate that additional personnel can be shifted from support to combat-type assignments within NATO, but I would not want to suggest that this process will result in a substantial reduction of the U.S. forces now in Europe. As you know, the Nixon Doctrine states a willingness to negotiate, but only from a position of strength and partnership. I believe the success of this policy was proved in SALT I.

Question. You've stated the belief that the defense budget cannot be reduced in dollar terms but that it can become a smaller proportion of the total budget. Nevertheless there are bound to be sharp increases in defense spending unless some significant areas of cost saving can be found.

Where would you plan to look for such cost savings?

Answer. Initially, I believe that cost savings may be possible in the personnel area. Conceptually, I am convinced that a part of the answer can lie in improved personnel utilization. In the professional areas, I believe we can make a greater use of para-professionals. Through increased reliability across the life cycle of our weapon systems, personnel requirements for maintenance can be reduced. For another thing, we must continue to implement civilianization programs.

While it is not easily to generalize in so complex an area as weapons acquisition, I do believe that we should continue to increase the application of the concept of designing to cost. We should also pursue prototyping wherever it is feasible and continue to limit concurrency of development and production to the maximum extent consistent with the imperatives of a successful deterrent.

Question. In your answers rejecting the reduction of our troops in Europe because of MBFR and approving the decision to go ahead with the ABM as essential to success in SALT I, you clearly support the "bargaining chip" argument.

Doesn't this argument validate accelerated development of weapons systems?

Answer. I have never to my knowledge stated that force structure decisions for our Armed Forces should be made solely on the basis of influencing negotiations. Neither, however, do I believe that the United States can afford to neglect the strength of these military forces in the euphoric hope that international agreements can nonetheless be negotiated which will ultimately invalidate the need for such forces. To be successful in negotiations, we must negotiate from strength, and irrespective of negotiations, I believe that our military forces must, in any event, be adequate to constitute a sufficient deterrent and to protect our people, if necessary.

Question. Doesn't this argument give priority to the presumed political impact of weapons systems regardless of their actual military efficacy?

Answer. No.

Question. Doesn't this argument convert negotiations about arms control into an excuse for a stepped-up arms race?

Answer. No.

Question. If this is to be your approach and your advice, how will you prevent massive increases in defense expenditures?

Answer. As I explained in answer to one of the previous questions, the determination of what and how many weapons to acquire should be based on their overall utility in our forces for deterrence in order to keep our military forces strong and to insure that we maintain a superiority in our technological base. As I noted previously, I have in no way suggested that weapons acquisition be accelerated for the sole purpose of influencing negotiations.

Question. You have stated that the United States should not play the role of policeman of the world. You say also, however, that a settlement which gets us out of Southeast Asia and gets our prisoners back, is not satisfactory because the area may remain unstable.

What is so special about that area that should make us the policeman for Southeast Asia?

Answer. The assumption of the question is not correct. We do not believe that the U.S. is a policeman for Southeast Asia. President Nixon's policy has reduced the level of U.S. forces in Vietnam from a ceiling of 549,000 ground combat forces to less than 23,800 military personnel this week. It is under this same policy that President Nixon has pursued the negotiation track to bring about a cease fire and to end the necessity for U.S. military involvement in Southeast Asia. That is why hundreds of thousands of Americans, sent there under previous policies, have come home from Southeast Asia; and that is what the Nixon Doctrine is all about, worldwide.

The CHAIRMAN. All right. Ask Admiral Moorer in, please, and we will close the doors.

(Whereupon, at 2:45 p.m., the committee went on to other business.)



