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REPORT OF THE SECRETARY OF DEFENSE

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TO THE CONGRESS

ON THE

FY 1975 DEFENSE BUDGET AND FY 1975-1979 DEFENSE PROGRAM

MARCH 4, 1974

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strategic leverage; it would be able to augment its threat to the principal Soviet cities west of the Urals, and for the first time to extend its reach to the major cities in the United States.

Production of the BEAGLE light bomber in the PRC is continuing at a very modest rate. Neither the BEAGLE nor their BADGER medium bomber has sufficient range to reach the continental United States, but both can threaten our forces and allies in Asia and the Western Pacific, as well as the eastern part of the Soviet Union.

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The PRC is also gradually strengthening its air defenses with the deployment of additional MIG-19 interceptors and SA-2 type SAMs. Nevertheless, those defenses, because of their qualitative limitations, are not likely to present much of an obstacle to either the United States or the Soviet Union in the event of war, at least during the balance of this decade.

### C. U.S. STRATEGIC FORCES AND PROGRAMS

Although the Interim Agreement on strategic offensive forces expires in October 1977, we are continuing to plan our forces within the bounds of that agreement and the ABM Treaty; and, for intelligence estimating purposes, we are assuming the Soviet Union will do the same. Admiral Moorer will provide a detailed comparison of U.S.-USSR strategic forces in his Military Posture presentation. For convenience, a summary comparison is shown on the following page.

#### 1. Strategic Offensive Forces and Programs

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We plan to continue in our strategic forces over the foreseeable future an appropriate mix of bombers, ICBMs and SLBMs -- the so-called TRIAD. Our purpose in doing so is not to provide an independent assured destruction capability in each element of the strategic forces, as some people have presumed. Rather, it is to achieve a sufficient degree of diversification in our forces to hedge against both foreseeable and unforeseeable risks, and to enable us to continue to make available to the President a reasonable range of strategic options as USSR and PRC capabilities evolve.

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I am sure the members of this Committee are well aware that each of the three major elements of our strategic forces has its own particular strengths and weaknesses with regard to pre-launch survivability and the ability to penetrate the enemy defenses. By maintaining an appropriate mix of the three, however, we can maximize their collective strengths and minimize the effects of their individual weaknesses, thus ensuring that the force as a whole is not inherently vulnerable to any one type of attack or any one type of defense.

U.S. AND U.S.S.R. STRATEGIC FORCE LEVELS

	Mid-1973		Mid-1974	
	<u>U.S.</u>	<u>U.S.S.R.</u>	<u>U.S.</u>	<u>U.S.S.R.</u>
<u>Offensive</u>				
ICBM Launchers <u>1/</u>	1054	1550	1054	1575
SLBM Launchers <u>2/</u>	656	550	656	660
Intercontinental Bombers <u>3/</u>	496	140	496	140
Force Loadings Weapons	6784	2200	7940	2600
 <u>Defensive</u> <u>4/</u>				
Air Defense				
Interceptors <u>5/</u>	559	2800	532	2600
SAM Launchers	481	9800	261	9800
ABM Defense Launchers	-	64	-	64

1/ Excludes launchers at test sites.

2/ Excludes launchers on diesel-powered submarines.

3/ Excludes bombers configured as tankers and reconnaissance aircraft.

4/ Excludes launchers at test sites.

5/ These numbers represent Total Active Inventory (TAI)

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Force diversification is also essential to hedge against the unforeseeable risks, such as technological breakthroughs by the other side and unanticipated weaknesses in one or more of our own systems. Last year we encountered an example of the latter, i.e., some unexpected failures in the operational tests of the POSEIDON missile. I will discuss the nature of this problem and the measures being taken to correct it a little later. At this point, I simply want to note that this unanticipated failure, while worrisome, is by no means critical. Aside from the fact that the POSEIDON force even now can carry out most of its intended missions, we have a variety of other systems which can fill the gap until the necessary corrective actions are completed. In short, this is precisely the kind of situation the TRIAD was intended to hedge against.

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In addition to hedging against risks, a well diversified force is needed to support the President's request for "other strategic options." As I indicated earlier, these other options imply a much wider range of capabilities than that required for assured destruction only. For example, capabilities are required to destroy military as well as urban, defended as well as undefended, and time urgent as well as non-time urgent targets. Moreover, the forces should include some weapons which are highly reliable, some which are highly accurate, and some which are highly controllable from launch to target. Here, again, each member of the TRIAD has some unique capabilities to offer.

On balance, therefore, I believe the continued support of well diversified U.S. strategic offensive forces clearly remains essential to our national security. Given the increasing size and variety of Soviet strategic capabilities, U.S. force diversification will be much more important in the future than it has been in the past.

MINUTEMAN

The principal impact of the new emphasis on "other strategic options", as far as the FY 1975 Budget is concerned, is on the MINUTEMAN program, particularly MINUTEMAN III. This missile, with its capacity for three RVs, relatively good accuracy, rapid retargeting capabilities, and relatively secure and reliable communications links to the National Command Authorities, is clearly a most versatile and cost-effective weapon.

Even without any additional R&D funding, we believe that the CEP of the MINUTEMAN III will gradually improve with continued testing. Beyond that point, further improvements in the counter-military capabilities of our ICBM force would require the deployment

of more than the currently planned 550 MINUTEMAN III missiles, larger yield warheads, an improved or new guidance system for MINUTEMAN III, terminally guided maneuvering RVs (MaRVs) or the development and deployment of an entirely new ICBM. In view of the on-going SAL talks, we propose in the FY 1975 Budget to take only those first few steps which are necessary to keep open these options; no decisions have been made to deploy any of these improved systems.

First, we propose to keep the MINUTEMAN III production line going at the lowest feasible rate -- five missiles per month. The FY 1974 Budget request included \$394 million for the procurement of the last 136 MINUTEMAN III missiles, plus \$23 million for long lead-time items to protect the option to deploy more than 550 MINUTEMAN III if that should prove desirable. The Congress approved the procurement of 115 missiles in FY 1974, deferring 21 to FY 1975. To that 21, we now propose to add 40 more for operational test assets, making a total buy of 61 missiles in FY 1975. The \$758 million shown for the MINUTEMAN program in FY 1975 on the table beginning on the following page includes \$285 million for the procurement of the 61 missiles and initial spares, and \$15 million for long leadtime items to keep open the option for a FY 1976 buy. No decision has as yet been made to deploy more than 550 MINUTEMAN IIIs; we simply want to keep that option open.

Second, we have requested the Atomic Energy Commission (AEC) to keep open at the lowest feasible rate the MK 12 warhead production line.

Third, we propose to develop the option for some additional refinements in the existing MINUTEMAN guidance system, mostly in the software program, which should further reduce the CEP. Development of these refinements will cost about \$100 million, of which the first \$32 million is included in the FY 1975 amount shown for MINUTEMAN.

Fourth, we propose to proceed with engineering development of a new higher yield warhead for the MINUTEMAN III. The new warhead plus the more advanced (i.e., miniaturized) arming and fusing mechanism would be incorporated in a new center section which could be retrofitted into the existing MINUTEMAN III MK 12 RV without any changes in its weight, balance or other flight characteristics. The flight test data base accumulated for the MK 12 RV, therefore, would be directly applicable to the new MK 12A RV, and flight tests of the latter could be limited to the verification of the new arming and fusing components. The R&D and tooling costs (DOD only) for the MK 12A are estimated at about \$125 million, the first increment of which -- \$25 million -- is included in the FY 1975 amount shown for MINUTEMAN.

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Fifth, we plan to initiate advanced development of a terminally guided MaRV for possible retrofit into both ICBMs and SLBMs. This MaRV could give the MINUTEMAN III a very high accuracy, if such a capability should be needed in the future. The \$20 million required to start this program is included in the FY 1975 amount shown for Advanced Ballistic Reentry System (ABRES).

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Sixth, we plan to flight test a MINUTEMAN III with a larger number of smaller RVs. This payload, if successfully demonstrated, would give us the option to expand the target coverage of the MINUTEMAN force without any increase in the number of missiles deployed. About \$8 million will be needed to start the test program in FY 1974 and \$19 million to complete the test program in FY 1975. The FY 1974 sum is included in ABRES and the FY 1975 amount in the MINUTEMAN lines shown on the table.

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The \$758 million requested for the MINUTEMAN program in FY 1975 also includes funds for the continuation of the Silo Upgrading effort, and for the installation of the Command Data Buffer System at all MINUTEMAN III bases. The ability provided by the latter to retarget the MINUTEMAN III missiles rapidly from the launch control centers will greatly enhance the flexible employment possible with the force. Installation of the new system in the first MINUTEMAN III squadron was completed last year and all 50 missiles in the squadron were successfully programmed from the launch control center. Deployment of the 550 MINUTEMAN III missiles will be completed by end FY 1975 but silo upgrading and installation of the Command Data Buffer System in the first two wings, which were deployed before these programs were started, will not be completed until FY 1978. Upgrading of the MINUTEMAN II silos will be completed in FY 1980.

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MINUTEMAN II Operational Base Launch Tests

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In order to demonstrate the ability of our operationally deployed MINUTEMAN missiles to perform their assigned missions, we now propose to undertake a new Operational Base Launch (OBL) program involving full range flight testing out into the Pacific of eight MINUTEMAN II missiles in as close to an operational configuration and ground environment as possible. Four missiles would be launched from Malmstrom Air Force Base during the winter of 1974-75 and four more from that or some other northern base during the winter of 1975-76.

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These would be the first full range flight tests of MINUTEMAN missiles from operational silos. The partial operational base launch tests conducted in 1965, 1966 and 1968, with mixed results, were not actual flight tests. In those tests, the missiles were loaded with just enough fuel for a seven second burn, enough to